









सत्यमेव जयते

REPORT  
OF THE  
PROHIBITION ENQUIRY  
COMMITTEE

1954-55





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## Chapter I

### INTRODUCTORY

The Prohibition Enquiry Committee was appointed by the Planning Commission, Government of India, in pursuance of Resolution No. PC/Proh/1/54, dated the 16th December 1954, which specified the purpose as follows:

"Article 47 of the Constitution lays down as a Directive Principle of State Policy that the State shall endeavour to bring about prohibition of the consumption, except for medicinal purposes, of intoxicating drinks and of drugs which are injurious to health. Experience gained in a number of States in implementing the programme of prohibition has suggested the need for further study of problems connected with administration, co-operation and support from the community, financial aspects, co-operation between neighbouring areas, etc. With the object of developing a national programme for the fulfilment, with wide public support, of the Directive Principle of the Constitution, it is desirable at this stage to review the experience gained and to find solutions for the problems and difficulties encountered in recent years"

The Committee consisted of

*Chairman*

SHRI SHRIMAN NARAYAN

*Members*

SHRIMATI SUCHETA KRIPALANI

SHRI S. R. VASAVADA

SHRI JAGLAL CHOUDHRY

SHRI G. RAMACHANDARAN

DR. BHASKER PATEL

SHRI V. D. DANTYAGI

SHRI N. S. VARADACHARI, *Member-Secretary*

2. The Resolution stated *inter alia* that one more member would be appointed later. Subsequently Dr. P. J. Thomas was appointed. The Committee was authorised to co-opt members and set up sub-committees as necessary. Shri P. Kodanda Rao was co-opted a member of the Committee at its meeting in January 1955, at Madras. In the vacancy caused by the sad demise of Shri V. D. Dantiyagi, Shri R. N. Samarth was appointed a member of the Committee in March 1955. Prof. D. S. Nag of G. S. College of Commerce and Economics, Jabalpur was co-opted a member of the Finance Sub-committee.

3. The terms of reference to the Committee were as follows:—

- (1) to examine the experience gained regarding measures adopted by State Governments to promote prohibition with a

view to assessing the extent to which these have been successful and analysing the practical difficulties—administrative, economic, social and others—which have come in the way of implementation of the programme of prohibition;

- (2) to make recommendations for a programme for prohibition on a national basis;
- (3) to indicate the manner and the stages in which and the machinery through which this programme should be carried out; and
- (4) to make such other recommendations on the subject as the Committee may consider necessary.

4. The first meeting of the Committee was held at Delhi on the 5th. **Procedure of Inquiry** January 1955. It was exploratory in character and the general lines of work and procedure were settled. A press note was issued by the Committee on the 6th January 1955, inviting the views of individuals and organisations interested in the subject matter of the enquiry. The Committee circulated a general questionnaire, copies of which were sent to the Union and State Governments, important political parties, public bodies, trade unions, women's associations, organisations engaged in social work, members of Parliament, a number of selected individuals and others. A separate questionnaire regarding the effects of prohibition on industrial workers was sent to selected industrial establishments in the country. Most of the social and other organisations responded to the questionnaire. In all 200 memoranda and replies to the general questionnaire were received including fifty-four from members of Parliament. There were few replies to the questionnaire circulated to industrial establishments.

5. The Committee did not consider it necessary to visit all States as a matter of routine. It divided itself into three **Tours** zonal sub-committees. The full Committee started on tour toward the end of January 1955, and visited Madras, Bombay, Uttar Pradesh, Orissa, and Madhya Pradesh. The sub-committees visited West Bengal, Punjab, PEPSU, Himachal Pradesh, Hyderabad, Andhra, Mysore and Travancore-Cochin. The tour programme lasted till 25th May 1955.

6. The Committee and its zonal sub-committees sat intermittently for a period of 51 working days. In all, they examined 257 witnesses, including 99 officials and 158 non-officials. At the headquarters of each State **Meetings**

visited, the Committee held discussions with the Chief Minister and his colleagues, besides important officials. They also met representative members of the Legislatures, trade unions, women's associations and other bodies. At Delhi, the Committee examined the Union Minister and Deputy Minister of Labour, Deputy Minister of Commerce and Industry, besides representatives of the Defence Services. It also met some members of Parliament and representatives of several organisations. A list of non-official witnesses examined at each place is given in Appendix IX. The Committee had also the benefit of advice of eminent persons including Shri C. Rajagopalachari, Acharya Vinoba Bhave and Shri U. N. Dhebar.

7. A summary of the main recommendations signed by all members of the Committee except Shri P. Kodanda Rao  
**Summary Report** was submitted to the Planning Commission toward the end of June 1955. with a view to enabling the State Governments to formulate their development schemes for inclusion in the Second Five-Year Plan in the light of those recommendations.

8. We are grateful to all individuals and associations who assisted the Committee by tendering oral and written evidence. Most of the State Governments furnished the Committee with comprehensive memoranda  
**Acknowledgments** in reply to the general questionnaire and also readily supplied such supplementary information as we required. We wish to take this opportunity to express our gratitude to the State Governments for valuable assistance in our work. We obtained some useful information from foreign embassies regarding the policies adopted by various countries in respect of the subject matter of the enquiry. We are grateful for this information. We also wish to place on record our thanks to the International Temperance Association which furnished information in regard to prohibition experiments and control measures in foreign countries.

9. We should like to place on record our appreciation of the assistance given in our work by Shri N. S. Varadachari, Member-Secretary. But for his unremitting labours, it would not have been possible for the Committee to finish its work within a short time. Shri V. J. Singh, the Assistant Secretary, rendered valuable help in collecting and analysing the material for our study. We also wish to thank other members of the staff attached to the Committee.



## Chapter II

### HISTORICAL BACKGROUND AND FACTUAL POSITION

The use of intoxicating drinks and drugs in India dates back to ancient times. There is sufficient evidence indicating that their consumption was looked upon with disapproval by Hindu scriptures and society. The 'higher classes' were placed under severe penalties both in the present life and the next for consuming liquor. By and large, the people were sober and the use of liquor and drugs was confined generally to the lowest strata or 'residuum' of society. The rise of Buddhism in India had a salutary effect on the consumption of intoxicants which are taboo to its followers to this day. In medieval times, the habit of drinking developed which may be attributed in part to the example set by kings and their courtiers. There were however exceptions; Aurangzeb observed a strictly abstemious life and much earlier Alauddin Khilji in the year 1310 had imposed total prohibition on the city of Delhi. Throughout the course of Hindu and Muslim periods, however, the masses generally remained free from the evil of drink and drugs—this is corroborated by foreign travellers including Fa Hien, Vasco Da Gama, Bernier and Tavernier who visited India at different times.

2. Before the advent of British rule, there was no system of excise taxation in the sense that there was a system of land revenue under the Mughal rule. Various methods of controlling the drink traffic were tried at different times with varying degrees of success. Such attempts, however, were few and far between, and at any rate before the advent of British rule there seems to have been no attempt on the part of Government to derive any material revenue from the traffic in drink and drugs. The explanation probably lies in the fact that those who consumed liquor and drugs were a small minority and the use of intoxicants was not considered a legitimate source of State revenue.

3. The East India Company and its successor the then Government of India suffered from no inhibitions of tradition; moreover excise duties on alcoholic liquor were a substantial source of public revenues in the United Kingdom. The year 1790 saw the enactment of excise laws and framing of excise rules in British India in consonance with the policy of maximum revenue with the minimum of consumption, a

policy that was followed in the United Kingdom. Excise Departments were established in all the major provinces and excise police was required to assist excise officials in the enforcement of excise laws. The outstill system was prevalent over the greater part of the country during early years of British rule; it included all systems prior in order of development to the levy of a still-head duty. The stages of development were farming of large areas to individual bidders for excise purposes, farming the small areas, sale of the right to distil and sell at particular places and lastly, sale of a similar right subject to control of means and times for distilling. One of the terms of reference to the Indian Excise Committee (1905-06) was to enquire to what extent the outstill system could be replaced by an efficient distillery system. Taxation of manufacture of liquor was not quite feasible under the old outstill system; on the other hand, it was comparatively easy under the distillery system. The Committee noted that the abolition of the outstill system was already in rapid progress; it made certain proposals, the result of which was restriction of that system to one large block of 'feverish and inaccessible country lying between Chhota Nagpur and Godavari and a few minor areas of little importance'. One direct result of the introduction of the distillery system which was gradually developed and improved over a period of about half a century was that it led to the establishment of a large number of private distilleries. The manufacture of country spirits and beers developed into a regular industry. It was run like any other industry for the sake of profits. The Government through the system of taxation, i.e., still-head duty and vend fees, acquired an interest in production and sale of country spirits which contributed nearly half of the total excise revenue.

4. The Indian Excise Committee (1905-06) observed that "the consumption of all classes of foreign liquor has largely increased..... the consumption of tari unless properly controlled is liable to lead to much drunkenness ..... the consumption of country beers is causing much drunkenness in certain areas and the beers made are sometimes very deleterious". Between 1875-76 and 1904-05 the imports of potable spirits rose from 701,177 to 1,297,611 gallons or 85 per cent. as against an increase of 42.7 per cent. in the total population during the period 1872-1901. According to the Committee, these figures did not necessarily indicate any considerable increases in the *per capita* consumption in case of the classes which habitually consumed imported liquors. The imported liquors which were mostly of cheap varieties were in demand by "the middle classes of the native population whose consumption of them tends to show a rapid increase, specially

where the rates of taxation on country spirit are high or the shops for the sale of it are greatly restricted in number". This shows that towards the eighties of the last century drinking of cheap varieties of imported liquor was getting popular with the middle classes.

5. There were several causes which brought about a substantial increase in the consumption of potable spirits both locally manufactured and imported. It would not be correct to say that alcoholic drinks were introduced in this country by the British but it cannot be denied that their consumption was extended among the people by the personal example set by the average Englishman. The restraints fostered by tradition, religion and social customs over a long period gave way to some extent to new forces which slowly swept across the country. With the advent of British rule the trade in intoxicants entered a new and expanding phase. A system of controlled monopolies came into existence for the manufacture and sale of drinks and drugs. It gradually developed into organised commercialisation of the traffic in intoxicants, permitted and protected by a system of licences. The demand created by the drink habit, supported by trade interests as never before in Indian history, resulted in further increasing consumption. This could not have been done without decisive and active co-operation of Government who found in drinks and drugs a convenient object of taxation. The anti-social character of the demand for intoxicants and of the intensified trade based on "narcotic" desire was not appreciated by Government. Drinking was given a social acceptance and larger and better opportunities were provided for drinking than ever before. Between the years 1899-1900 and 1905-06, the number of liquor shops rose from 82,177 to 91,447 and that of drug shops from 19,766 to 21,865. Then there were certain extraneous factors such as increased urbanization and movement of population away from agriculture which indirectly contributed to the spread of the drinking habit. The workers living under the complex conditions of industrial areas away from the influence of family life felt the need for some kind of a stimulant. It was estimated by the Indian Excise Committee (1905-06) that about a dozen large cities consumed a quarter of all the spirit recorded as drunk in India.

6. The general lines of excise policy for the guidance of Provincial Governments were enunciated by the Government of India in their Resolution No. 5001-Exc; dated the 7th September 1905 as below:—

"The Government of India have no desire to interfere with the habits of those who use alcohol in moderation and it is necessary in

their opinion to make due provision for the needs of such persons. Their settled policy however is to minimize temptation to those who do not drink and to discourage excess among those who do, and to a furtherance of this policy, all considerations of revenue must be absolutely subordinated. The most effective method of furthering this policy is to make the tax on liquor as high as it is possible to raise it without stimulating illicit consumption to a degree, which would increase instead of diminishing the total consumption and without driving people to substitute deleterious drugs for alcohol, or a more or less harmful form of liquor. Subject to the same consideration, the number of liquor shops should be restricted as far as possible and their location should be periodically subject to strict examination with a view to minimise the temptation to drink and to conform as far as is reasonable to public opinion. It is also important to secure that the liquor which is offered for sale is of good quality and not necessarily injurious to health."

It would appear from the Excise Manuals of various Provincial Governments that the policy of deriving maximum revenue from minimum consumption was applicable generally to all exciseable articles including liquor, opium and hemp drugs.

7. The above policy with minor changes to suit local conditions was in operation in all the provinces for over thirty-two years till 1938 when it was replaced in several provinces by prohibition applied to selected areas. The broad pattern of old excise policy still remains in the non-prohibition States, although in some of these States prohibition is said to be the ultimate goal. It was claimed for this policy that it aimed at promoting temperance. It was laid down that Government had no desire to interfere with the habits of those who used liquor or drugs moderately, in fact such interference was regarded by them as outside the duty of government. There was an inherent fallacy in this since it was difficult to draw a line between moderate and immoderate drinking; these shade into one another. What one person might consider to be moderate might well be excess for another and even in the case of the same person 'moderation' could not be defined in any strict sense. The truth is that all hard drinkers started with moderate drinking and gradually increased the quantity to become addicts. It is generally easier to refrain completely from drinks and drugs than to practise moderation. A moderate drinker is perhaps as much a menace to society if not equally to himself as one who indulges in excessive drinking because both set a bad example to others. While there are less chances of the hard drinker or the addict to do mischief after he is dead drunk, the moderate drinker is a greater danger to others because he is a very uncertain person.

8. The two principal methods adopted by Government for furthering temperance were first, to make the tax on liquor as high as possible without encouraging illicit distillation and second, restricting the number of shops as far as possible with a view to minimize the temptation to drink. Experience has shown that the policy of steadily increasing the cost of liquor (and of other intoxicants) by pushing up taxation as high as possible without encouraging illicit practices did not prove to be an effective check on consumption. The principle of getting maximum revenue with minimum consumption was probably all right in its application to articles whose demand was elastic and there were cheaper substitutes available but it could not but show poor results so far as liquor and narcotics were concerned. One important characteristic of all intoxicants is that they are habit forming and therefore the demand for them is mainly inelastic. A substantial rise in the price of liquor may reduce the demand for it by casual drinkers to some extent but not by habituais. The addicts would manage to satisfy the craving anyhow, whatever the cost; if the price was raised very high some of them might turn to illicit liquor, which could be easily obtained. The consumers who were mainly drawn from the poor and lower middle class were subjected to high burden of taxation in the process of satisfying the demand for liquor and drugs, a demand so insistent that it drove out the ability, though not always the desire to satisfy more urgent economic needs of their families. The policy of restricting consumption by stepping up the rates of excise duties in this context therefore merely added to the inequity of this kind of taxation.

9. A series of enquiries into family budgets of industrial workers conducted by the Department of Labour, Government of India, during the period of the last War brought out that 6 to 10 per cent. of the average family income was spent on liquor and other intoxicants. This appeared to be an underestimate as many of the workers were reluctant to give correct information on certain items of consumption which were considered to be socially undesirable. Living under conditions of squalor and overcrowding the industrial workers tried to find out the shortest way out of their troubles by resorting to the use of liquor and injurious drugs. The Royal Commission on Labour (1929-31) observed 'alcohol offers its dangerous relief to a fatigued body' and suggested that a reduction of the consumption of liquor would increase the welfare and efficiency of industrial labour.

10. It was part of the excise policy that all considerations of revenue must be absolutely subordinated to the policy of temperance. However there were certain features of the excise system which were

apparently not consistent with this objective. Under the auction system of vend which was generally applicable to retail sale of country spirit, opium and hemp drugs, shops were settled in favour of the highest bidder. This system is still continued in several States where there is no prohibition. It is in the interest of the licensed vendor to promote sales to be able to make as much profit as he can; in fact the underlying motive is maximum profit to the vendor and maximum revenue to the Government\*.

11. There has been a tendency noticeable in most States where prohibition is not in force to derive excise revenue mainly by means of specific duties on exciseable commodities, e.g., still-head duty in the case of country liquor and Indian made foreign spirits and only to a subsidiary extent by means of vend fees for the right of retail sale. The object implicit in such a policy is to obtain the maximum revenue since the system of determining vend fees by auction may not be depended upon to yield a steady income. If the circumstances became unfavourable for the consumption of any exciseable article during the year, the licensees came forward with claims for compensation. Moreover in some cases licences had to be re-auctioned because of non-payment of monthly instalments on the part of a licensee and thus large sums fell in arrears. But if there was an abnormal increase in the quantity of spirits issued due to extraordinary circumstances, the Government could not compel the licensees to share with it the unforeseen profits. Thus the rates and duties on exciseable commodities were steadily pushed up; there was sanction behind such a step in the excise policy statement of 1905; secondly it was designed to protect the excise revenue by ruling out heavy fluctuations in receipts as far as possible.

12. The Hon'ble Sir Basil Blackett, Finance Member in 1925 said that the policy of maximum revenue and minimum consumption had been "very distinctly effective in securing a very remarkable reduction in the total quantity of alcoholic liquors either imported or country-made consumed in India"\*\*. In support of this statement he quoted figures relating to imports of spirits, licit consumption of country spirits and the number of shops. The consumption of country spirit in 1883-84 was nearly 5 gallons per 100 of the population, in

\*" While it is necessary to emphasize that considerations of revenue are to be in subordination to the promotion of temperance, every endeavour should nevertheless be made to ensure to the State as large a share as possible of the profits accruing from the sale of exciseable articles by methods which admit of the most efficient supervision and control". Excise Manual, United Provinces of Agra and Oudh (Reprint—First Edition) 1954, Vol. I, p. 29.

\*\**Legislative Assembly Debates 1925, Vol. VI, Part I, p. 625.*

1903-04 and 1911-12 it was just over 4 gallons and in 1923-24 it fell to 2.68 gallons. The clearances of spirits had declined from 1,161,320 proof gallons in 1912-13 to 894,000 gallons in 1923-24. These figures though relevant did not provide an accurate or complete picture of total consumption. No reliable information was available regarding the consumption of toddy and pachwai which in some provinces were popular drinks. Further there was no reference made to the consumption of illicit liquor which by itself was considerable and in some provinces exceeded that of licit liquor. To give an instance, the Financial Commissioner, Punjab in the Annual Report on Administration of Excise Department for the year 1928-29 estimated the production of illicit country liquor at between 5 to 6 lakhs L.P. gallons a year as against 3.6 lakhs gallons of exciseable product consumed in that year in the province. The Financial Commissioner went on to say, "With so large a production of illicit spirit there can be no question of any temperance policy. The policy now is almost entirely a fiscal one". For some reasons the Punjab Government did not agree with these comments and dubbed them as 'a cry of despair or surrender.' This brings out the fallacy of drawing any valid conclusions regarding an increase or decrease in the consumption, on the basis of figures of either absolute or *per capita* consumption relating to licit liquor only.

13. As regards the imported spirits, the figures quoted by Sir Basil Blackett were incomplete being exclusive of ale, beer, stout and porter. The statement on the next page gives a general idea of the consumption of imported liquors, beer etc. It will be seen that before 1928-29 imports of potable spirits and of fermented drinks varied between 4 to 5 million gallons a year; the figure rose to 5.8 million gallons in 1928-29 which was a prosperous year. During the depression period the imports fell to 4.5 million gallons in 1931-32 and 4.6 million gallons in 1936-37 and further to 4.2 million gallons in 1938-39 due to introduction of prohibition experiments in a number of States. As the figures for the earlier years covered those for Burma which was separated from India in April 1937 the actual fall in 1938-39 was somewhat less than indicated above. Consequent on enforcement of gradual prohibition in certain States, there occurred almost a steady fall in the imports of potable spirits and wines since 1948-49, the figure having fallen by 19 per cent from 3.2 million gallons in 1948-49 to 2.6 million gallons in 1954-55. During the same period the decline in the imports of fermented drinks (including ale, beer, etc.) was relatively less, i.e., about 15 per cent.

# Imports of Liquors into India

(In gallons)

	1938-39	1945-46	1946-47	1947-48	1948-49	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55
Ale and Beer . . .	3,537,360	142,632	769,549	1,513,899	1,382,751	880,890	815,650	1,086,657	1,030,539	1,112,856	1,175,473
Stout and Porter . .	86,451	..	18,720	41,180	36,225	26,951	15,115	18,377	28,648	15,928	30,465
	3,623,811	142,632	788,269	1,555,079	1,418,976	907,841	830,765	1,105,034	1,059,187	1,228,784	1,205,938
Cider and other fermented liquors . .	14,410	..	441	16,769	1,684	7,162	7,296	9,917	14,917	11,138	13,366
<b>Spirits :</b>											
Brandy . . .	86,530	209,374	227,059	93,960	90,318	47,905	64,861	66,503	27,484	33,147	41,148
Gin . . .	77,968	138,847	93,330	35,098	51,669	19,724	37,594	35,567	21,911	21,494	32,599
Liqueur . . .	9,776	1,225	17,883	11,368	1,826	2,623	570	6,606	10,804	6,888	3,001
Rum . . .	1,683	44	6,602	2,477	1,329	1,505	684	1,369	1,145	1,349	1,543
Whisky . . .	283,834	234,515	309,502	232,591	147,083	142,312	176,750	171,896	183,207	170,342	139,164
	459,791	584,005	654,376	375,494	292,225	213,969	280,459	281,941	244,551	233,220	217,455
Wines . . .	118,489	175,167	220,036	61,328	27,084	26,920	22,281	50,850	58,879	43,715	44,270

## NOTES :—

(1) Data for the years prior to 1947-48 relates to undivided India. The figures for 1947-48 exclude the direct foreign sea-borne trade of Pakistan provinces of Sind and East Bengal with effect from the 1st and the 15th August 1947 respectively. They also do not include India's sea-borne trade with Pakistan upto February 1948.

(2) Imports of liquors are exclusive of spirit perfumed and denatured and drugs, medicines and chemicals etc. containing spirits.



14. The number of country spirit shops per 100,000 of population was 15 in 1903-04 and was reduced to 10 in 1912 and further to 6.1 in 1934-35. Figures for later years are not readily available. The gradual decline in the number of country spirit shops in relation to population may be interpreted as a preventive measure but much significance should not be attached to these figures. The number of shops in relation to population was large in 1903-04. The Indian Excise Committee (1905-06) admitted that 'the number of shops can be reduced in some areas, in others reduction has gone too far'. The Committee recommended that due provision should be made for ascertaining public opinion as to the location of shops, but reliance should be placed on the enquiries of trustworthy officers. It was not difficult for officers of the Government with some circumspection to close say two or three shops in a particular area and open a new shop in a more suitable place without much risk of losing custom. In spite of the reduction in the number of shops *per capita* it became possible to have a drink under almost every circumstance, in the restaurants, cinemas, messes, clubs, railway refreshment rooms and even railway dining cars. It has been found from experience that the addicts would go even a long distance to satisfy their craving. For the same reason the closure of shops on specified days or one day in a week did not result in any perceptible decrease in drinking.

15. The fallacy that increased taxation must lead to decreased consumption was fully brought out during the War years. The Provincial Governments took full advantage of the general rise in prices by raising the rates of taxation on various intoxicants. On account of a heavy decline in the imports of foreign spirits there was a large demand for country liquor and Indian made foreign spirits. The Provincial Governments provided sufficient facilities to the distilleries to expand their output and some new distilleries were set up. The breweries were also encouraged to raise the output in spite of the fact that barley the principal base material used was badly needed to meet food shortage in the country. The working hours were extended and shift working and night bottling were introduced to meet the heavy demand for drinks. Government not only assisted the distilleries and breweries to expand their business but they took care to provide more facilities to the consumers to obtain drinks by opening more shops and granting of more 'on' licences. The distilling and brewing industries made good profits; the rate of dividend declared by the Murree Brewery (now in West Pakistan) was as high as 22½ per cent in 1944-45, and in the case of the brewery at Solan (Himachal Pradesh) it was 17½ per cent. in the same year. Excise revenue touched

the peak level during the War period, the figure having risen from Rs. 13.08 crores in 1938-39 to Rs. 43.42 crores in 1944-45 for the nine Indian provinces. Thus minimum consumption was left to take care of itself or rather it was relegated to the background.

16. The following statement shows illustratively a steady increase in the rates of duty on certain excisable articles in West Bengal since 1938-39:—

	Rate during the period from 1938-39 to 1942-43	From 1st May 1943	From 1st Aug. 1943	From 1st Dec. 1943	From 1st Apr. 1944	From 1st Nov. 1944	From 1st Apr. 1945	From 1st Apr. 1952
	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.
Indian made foreign spirits (per L.P. gallon)	30 0	30 0	40 0	42 8	50 0	56 4	56 4	70 0
Country spirit (per L.P. gallon)	7 1	17 0	17 0	22 0	29 0	42 0	46 10	54 8 (a)
Ganja (per seer)	41 15	51 7	80 0	109 14	138 15	191 7	205 6	235 9 (b)
Opium (per seer)	87 4	101 12	101 12	145 4	168 13	218 13	233 3	538 1

The great increase in taxation in West Bengal has not resulted in checking consumption of country liquor and drugs. The average consumption of country spirits per 100 of the population was 1.87 L.P. gallons in 1912-13, 1.24 gallons in 1929-30, 0.82 gallons in 1930-31 for undivided Bengal and rose to 2.29 gallons in 1953-54 for West Bengal. The Commissioner of Excise, West Bengal in a communication addressed to us stated, 'In spite of the heavy fall in the (absolute) consumption of liquor and ganja from licit sources the net revenue from Excise has been considerably protected by enhancing the rate of duty, following the principle of 'maximum revenue with minimum consumption. While the former object has to some extent been fulfilled, it is doubtful how far the drink habit, which spread alarmingly in all strata of the society during the War years has been checked..... As regards illicit distillation, I find from my experience that the crime has lately increased abnormally'.

(a) This rate was effective from 20th March 1952.

(b) Effective from 15th April 1951.

17. It may be noted with interest that with every movement for social reform or upsurge of religious and cultural revival in India, the abolition of liquor was made a prominent issue. There were a number of temperance organisations working in the country even from early days but their efforts were mainly concentrated on establishing that the policies pursued by the Government of India were not effective in materially reducing the consumption of liquor and drugs. Government evinced little interest in the work of these organisations and in the circumstances nothing substantial could be achieved. A Central Propaganda Board in Madras formed for this purpose had to be abandoned because of financial limitations. It may however be stated that it was largely due to the propaganda conducted by these agencies that such measures as the closure of shops on specified days, local option and reduction in the strength of liquor, were undertaken. After 1920 abolition of liquor and drug shops became the popular demand following its adoption by the Indian National Congress. Prohibition thereafter became one of the chief planks of the national programme. Mahatma Gandhi, who had been urging introduction of prohibition time and again as one of the most important items of the constructive programme, included it among the eleven demands placed before the Viceroy in 1930 for the settlement of the Indian problem. Prohibition as envisaged by Mahatma Gandhi, was not a reform in isolation, but was to be part of a general programme of reconstruction aiming at the uplift of the masses. The British Government did not yield and Gandhiji, while starting on his march to Dandee, made a pointed reference to the deplorable plight of the masses consequent on the spread of the drink habit and to the cruel burden the excise tax cast on the poor. He said, 'It (liquor) saps the foundations both of their health and morals; it is defended under the false plea of individual freedom, but, in reality, it is maintained for its own sake. The ingenuity of the authors of the Reforms of 1919 transferred this revenue to the so-called responsible part of diarchy so as to throw the burden of prohibition on it, thus from the very beginning rendering it powerless for good. If the unhappy Minister wipes out this revenue he must starve education, since in the existing circumstances he has no new source of replacing that revenue'. It is significant to note that after the Gandhi-Irwin pact was ended, Mahatma Gandhi while withdrawing all other demands refused to yield on the right to picket liquor shops. The Working Committee of the Congress in 1931 emphasised that the picketing of drink and drug shops was not part of the civil disobedience campaign, but was the exercise of the ordi-

nary right of a citizen so long as it remained strictly peaceful and caused no obstruction to the public. To an extent, this position was recognised by the then Viceroy. The Government statement referring to the picketing of foreign cloth and liquor shops said: 'In regard to the methods employed in furtherance of the replacement of non-Indian by Indian goods or against the consumption of intoxicating liquor and drugs, resort will not be had to methods coming within the category of picketing except within the limits permitted by the ordinary law. Such picketing shall be unaggressive and it shall not involve coercion, intimidation, restraint, hostile demonstrations, obstruction to the public, or any offence under the ordinary law'.

18. The Gandhi-Irwin Pact was followed by the Karachi session of the Indian National Congress which noted with satisfaction "the visible progress of the nation towards total prohibition during the last twelve months" and called upon the Congress organisations to continue the anti-drink and drug campaign with renewed vigour. The Resolution on fundamental rights passed at the same session referred to prohibition and laid down that intoxicating liquor and drugs should be totally prohibited except for medicinal purposes.

19. Picketing of liquor shops continued all over the country for a considerable time. The gallantry of men and women who participated in picketing liquor shops attracted country-wide attention. Mass enthusiasm was so great that in many districts, toddy trees and palm trees were cut with a view to preventing their use for extraction of toddy.

20. Popular feelings were voiced in the Legislatures expressing dissatisfaction with the results of excise policy.

**Local Option** The Indian National Congress pledged itself to a policy of total prohibition in 1920. There had been a general demand for extension of local option which had been introduced in one or two provinces around the year 1918-19. After the introduction of Montford reforms in 1921 several Provincial Governments enacted local option laws which recognised the principle of self-determination on the part of local bodies in the matter of restricting the sale of intoxicating liquor within their respective jurisdiction. In fact local option was prohibition applied to narrower geographical boundaries. The policy did not prove effective in reducing the consumption of liquor. Abatement of drinking in a particular local area led to increased drinking in the neighbouring areas. Illicit distillation and smuggling also contributed to the failure of local option. It would appear that Gov-

ernment never felt convinced either about the usefulness or practicability of local option. It seemed that the principle of local option was a concession to growing public opinion in the country against the spread of the drinking habit. As far back as 1890 the Government of India had remarked: "A system of local option would throw the whole administration into confusion and would in some places create an intolerable class tyranny which might have very serious political effects"\*. The wishes of local bodies in the matter of restriction or stoppage of sale of licit liquor within their areas was not invariably accepted by Government. There were instances when Government agreed to close a liquor shop but sanctioned the opening of a new shop for 'off' consumption at a small distance within the jurisdiction of another local body. Local option was too local and too optional to meet the growing consumption of liquor.

21. The movement towards prohibition slowly gained momentum after the introduction of Montford Reforms and resolutions to the effect that prohibition should be declared as the ultimate goal of excise policy were passed by Legislative Councils in several provinces. A similar amended resolution originally moved by a non-official member was passed by the Central Legislative Assembly in September 1925 by a majority of thirty votes.\*\* Earlier a resolution on the same subject had been moved in the Imperial Legislative Council in 1918 and was rejected on the strength of the official majority. With the inauguration of provincial autonomy in April 1937 Congress Ministries assumed office in seven provinces and to redeem an old pledge started implementing the policy of prohibition in selected areas. Between 1937 and 1939 five provinces including Madras, C.P. and Berar, Bihar, Orissa and the N.W.F.P. passed comprehensive legislation enacting prohibition. Madras was the first among provinces to make a beginning in this direction. Salem district was declared dry on the 1st

\*Report of the Indian Excise Committee (1905-06), p. 238.

\*\*" This Assembly recommends to the Governor-General-in-Council that he be pleased to accept as the ultimate policy of Government the prohibition of production, manufacture, sale and import of intoxicating liquors save for medicinal and scientific purposes. It further recommends that as the first step in carrying out this policy the Provincial Governments be directed immediately (i) to inaugurate a policy of vesting the power of fixing by a system of local option the location and number of shops selling intoxicating liquors in either local self-governing bodies or licensing boards specially constituted for the purpose and elected on a popular franchise, and (ii) to undertake necessary legislation in furtherance of that policy."

*Legislative Assembly Debates, 1925, Vol VI, Part I, p. 661.*

October 1937 and prohibition was extended to Chittor and Cuddapah districts from 1st October 1938 and to North Arcot one year later. In Bombay prohibition was introduced in the industrial area of Ahmedabad in July 1938 and extended to what is now known as Greater Bombay and some parts of certain other districts. United Provinces made a beginning with two districts going dry in 1938; four more districts were added in the following year. In Madhya Pradesh prohibition was made effective for the first time in 1938 in certain parts of the State covering an area of 9,333 sq. miles. During the next two years the coverage was progressively increased to 22,287 sq. miles representing a little less than one-fifth of the total area of the province. These experiments showed some good results during the short period they remained in force. The prohibition movement received a setback after the War broke out in September 1939 and the Congress Ministries had resigned office. No progress was made till 1946 when the popular Ministries again took up office in a majority of the Provinces.

22. That prohibition had made good progress during the last decade is clear from the fact that at present it is applicable to more than a quarter of the total population (28 per cent.) and covers about one-third (36 per cent.) of the total area of the country. Four States viz. Andhra, Bombay, Madras and Saurashtra are under prohibition. In Andhra the Prohibition Act was not made applicable to the Agency areas though legal sale of intoxicants has been stopped there. In the following nine States there is partial prohibition, the dry area ranging from one district each in Punjab and Madhya Bharat to nearly seventy per cent. of the total area in Mysore:

**Present Position regarding Prohibition**

Assam	Madhya Bharat
Madhya Pradesh	Mysore
Orissa	Travancore-Cochin
Punjab	Himachal Pradesh
Uttar Pradesh	

23. There are two small States, namely Ajmer and Coorg which are in a different category. In Ajmer progressive cuts in the normal quota of consumption of all kinds of intoxicants were introduced from the 1st April 1949 with a view to introducing total prohibition in five stages but it appears that very little progress has been made so far in this direction. In Coorg liquor, opium and ganja are made available to the addicts on a restricted scale under permit system.

*There is no prohibition either total or partial in the remaining eleven States, namely—*

Bihar	Bhopal
West Bengal	Delhi
Hyderabad	Kutch
PEPSU	Manipur
Rajasthan	Tripura
Vindhya Pradesh	

24. At present comprehensive prohibition legislation is in force in eight States (including Andhra and Saurashtra) as indicated below:—

Madras Prohibition Act (X) of 1947  
 Central Provinces and Berar Act (VII) of 1938  
 Mysore Prohibition Act (XXXVII) of 1948  
 Bombay Prohibition Act (XXV) of 1949  
 Travancore-Cochin Prohibition Act (XIII) of 1950  
 Assam Liquor Prohibition Act (I) of 1953  
 Assam Opium Prohibition Act (XXIII) of 1947

In Andhra which was part of the composite State of Madras till October 1953 Madras Prohibition Act is applied. Saurashtra has adapted and applied with effect from 6th April 1950 the Bombay Prohibition Act, 1949. In certain other States partial prohibition has been enforced by special notification on the basis of restrictive powers vested with Government under the Excise Acts.

25. **Opium** and hemp drugs including charas, ganja and bhang are consumed mostly by the poor and labouring classes. In regard to opium the policy has followed the commitments of the Government of India at various International Conferences and Conventions held from time to time. In 1907 an agreement was reached with the Chinese Government for gradual reduction of exports of opium to China and the exports were completely stopped in 1913-14. As regards internal consumption of opium, the policy followed till recently was one of gradual suppression of opium smoking and regulating the use of opium for other purposes mainly through the device of stepping up the rates of duty. As the Government of India have had a monopoly of production and distribution of excise opium, their responsibility in regard to the use of this drug by the people was much greater than in the case of liquor and hemp drugs.

26. The consumption of opium was relatively high in Assam, Orissa, Madhya Pradesh and parts of Bengal and Punjab. Under the Opium Smoking Acts passed in most of the provinces opium smokers were registered till a fixed period and after its expiry fresh registration was to be stopped. It was made unlawful for any person not registered under the Act to possess or smoke opium or to possess a pipe or apparatus for the purpose of smoking opium or of preparing opium for smoking. The oral use of opium was, however, treated differently: that its baneful effects were not recognised is clear from the following extract from the Central Provinces and Berar Excise Manual (1940):—

“The practice of eating opium stands on a very very different footing. As a vice it scarcely exists in India. As taken in moderation by the average Indian, opium is eaten either as a mild stimulant, as a prophylactic against malaria, for the relief of pain or in the treatment of various ailments. It is in fact a household remedy for many ills prescribed by centuries of inherited experience. All that Government have to do for the present is to prevent its misuse and check excessive consumption. The obvious means of doing this is to enhance the price of opium so far as is consistent with the prevention of illicit traffic, without going far beyond the paying capacity of the consumer.”

27. The excise policy of restricting consumption by stepping up the rates of taxation was applied to opium also. This policy proved ineffective and in 1949 the Union Government decided to abandon it in favour of physical control on the supply of opium with the object of prohibiting oral consumption of the drug by the end of March 1959. In pursuance of this policy a progressive cut of 10 per cent. every year is made in the quota of opium allowed to the State Excise Departments. The State Governments in turn have applied the cut in the quantity of opium supplied to licensed vendors. In the prohibition States where there are no licensed shops selling opium the quota of opium allowed to registered addicts under permits is progressively cut down by 10 per cent. each year. The cuts are strictly applied except in the case of aged persons and those who suffer from painful and incurable diseases like chronic asthma, cancer etc. Besides opium is issued to licensees who require it for medicinal, scientific or such other purposes. In recent years the rates of duty on opium and the retail price of opium have been



enormously increased in all the States with a view to discourage its consumption. In the Punjab, however, the control on retail price of opium was lifted in 1947. The retail price of opium per seer in 1951-52 was Rs. 690 in West Bengal, Rs. 555 in Orissa, Rs. 430 in Bihar and Rs. 305 in Madhya Pradesh. The cost price charged by the Government opium factories was Rs. 45 per seer in the same year which gives a broad idea of the average rate of taxation levied by the State Governments after making some allowance for the margin of profit accruing to the licensed vendors.

28. In Assam the policy of planned reduction of opium consumption dates back to 1927-28 when all opium addicts were registered and rationed. Prohibition of opium in a restricted sense was introduced in the Sibsagar subdivision and a part of Dibrugarh subdivision in 1939-40 and since 1947 is in operation throughout the State as a result of gradual extension. The number of registered addicts (including permit holders on medical grounds) was 98,000 in 1927-28 and fell to 30,366 in 1938-39 and 15,000 in 1951-52. Consumption of exciseable opium was reduced to 94 maunds in 1951-52 as against 180 maunds in 1938-39 and 792 maunds in 1927-28. Barring the Assamese, Oriyas have been the oldest opium eaters. The Orissa Government in 1938-39 launched a policy of restriction of opium in the district of Ballasore which was at one time considered to be a black spot in India in respect of opium consumption and within a decade the quantity of opium was reduced by about 75 per cent. from 3,208 seers in 1938-39 to 819 seers in 1947-48. In 1949-50 the figure further declined to 766 seers.

29. Charas, ganja and bhang are the products of the hemp plant.

**Charas** Charas consists of the resinous matter formed on the flowering tops of a species of the female hemp plant which was grown in Central Asia. Experiments conducted in India had proved that this resinous matter did not materialize on hemp plants grown in India. Charas is the most concentrated form of the hemp narcotic commercially known; chemical examination showed that the average ratio of potency between charas and whole ganja was approximately four to one. Charas was imported by the Punjab Government from Yarkand to Leh in Kashmir State and warehoused in Punjab from where it was distributed through the medium of licensed contractors for consumption in most of the provinces. The strict control and supervision exercised over imports reduced the risk of illicit importation to the

minimum. Charas smoking was mostly confined to the United Provinces, Punjab, Delhi and a few districts in Bengal and Bombay. The use of charas was prohibited in the composite province of Bihar and Orissa since 1924-25 and in Madhya Pradesh from 1939. The supplies of charas were cut off in 1940-41 due to the stoppage of production and export of the drug by the Sinkiang Government. The stocks in ware-houses lasted for a couple of years and the Punjab Government was compelled to prohibit the sale and possession of the drug in April 1946. The credit for extinction of the licit trade in this nefarious drug really goes to the Sinkiang Government. It is reported from Uttar Pradesh that charas addicts have now taken to smoking ganja as a substitute.

30. Ganja consists of the flowering tops, green or dried, of the hemp plant; it is obtained almost entirely from the female plant. Ganja is generally smoked. Bhang consists of the green or dried leaves of the hemp plant and is usually drunk. It is also occasionally smoked. The narcotic effect of bhang is much less compared to either ganja or charas. Madras produced its own supply of ganja and bhang and besides also supplied the demand of some erstwhile princely States and the old French Settlements. The principal sources of supply of ganja in undivided India was a compact area in Naugaon in Rajshahi district (now in East Pakistan). In Bombay, C.P., and Berar and Bihar, the cultivation of the hemp plant was restricted to very small areas. The cultivation as also the manufacture of ganja was licensed and carried under the supervision of local Excise Officers. The drug was in demand by consumers chiefly for smoking in Madras, Bengal, Bombay, Bihar and Orissa, the U.P., Punjab, Delhi and Rajputana.

31. The traditional policy of deriving maximum revenue with minimum consumption did not yield any satisfactory results by way of reduced consumption of ganja. During the last seven years further steps have been taken in some States with a view to stop the use of this drug over a period of years. The cultivation of the hemp plant has been discontinued in the prohibition States. In Madras its cultivation was discarded in 1947-48 and the Government ganja store-house was closed down in 1949-50. Under the Madras Prohibition Act the possession of hemp drugs was entirely prohibited except by licensees for the purpose of manufacturing medicinal preparations. In Bombay the permit system in respect of ganja and bhang was introduced in 1947. Under the Bombay Prohibition Act,

limited quantities of these drugs are made available from Government depots to registered addicts only; gradual cuts are made in the quotas to wean them away from the use of hemp drugs. The issue price as well as the retail price of ganja and bhang have been greatly increased in most States. For instance the rate of duty on ganja in West Bengal has been steadily increased from Rs. 40 per seer in 1932-33 to about Rs. 236 in 1951-52 and that on bhang from Rs. 3-8-0 per seer in 1935-36 to Rs. 60 per seer in 1949-50. The licit consumption of ganja in that State has fallen from 676 maunds 18 seers in 1947-48 to 240 maunds 30 seers in 1950-51. The annual Report of Administration of the Excise Department, West Bengal, for the year 1950-51 records that this unprecedented rate of decrease in consumption was not real. "It meant only the decline in licit consumption and possibly the substitution of the same quantity by ganja of illicit origin". It is estimated that the total consumption of ganja in West Bengal should be between 600 and 700 maunds. This only proves that increased rates of taxation do not necessarily lead to reduced consumption. The decrease in consumption of exciseable ganja was mainly ascribed to the inferior quality of the drug on sale at the licensed shops. It is reported that the varieties of ganja now obtained from Madhya Pradesh and other places in India do not suit the tastes of consumers who were for long accustomed to Naugaon ganja and they have now taken recourse to illicit sources of supply. It is reported that smuggling from East Pakistan, Nepal and from the Central and Western States like Gwalior and Dholpur continues to be on the increase. "Poor quality of ganja supplied during the year in place of ganja from Naugaon in Eastern Pakistan, as well as the close resemblance of Government ganja with the illicit stuff, are suspected to have tempted many a licensee as well to be in active league with the illicit trafficker"\*.

Bihar Government raised the duty on and retail price of ganja from Rs. 175 and Rs. 240 per seer respectively to Rs. 280 and 360 per seer from 16th November 1949 but was compelled to revert back to the old rates from the 1st August 1950 on account of large scale smuggling from Nepal.

**32. The recent developments in the different States are briefly**  
**Factual position in** reviewed in the following paragraphs:—  
**the States**

\*Report on the Administration of Excise Department, Uttar Pradesh, 1948-49, p. 13.

### *Prohibition States*

*Bombay.*—The popular Government in 1946 decided to introduce total prohibition throughout the State in stages spread over a period of three years beginning from April 1947. In pursuance of this policy the supplies of country liquor and drugs (and the number of toddy trees to be tapped) and quota of sales of foreign liquor were curtailed progressively by 25 per cent. each year culminating in total prohibition from the 6th April 1950. In the early stages besides the annual cut of 25 per cent. the following measures were also adopted:—

- (i) closure of excise shops for two days in a week in 1947-48, three days in 1948-49 and five days in 1949-50;
- (ii) progressive reduction in the number of shops during the period 1947-48 to 1949-50;
- (iii) reduction in the strength of country liquor;
- (iv) progressive reduction in the limits of possession of potable foreign liquor and drugs;
- (v) increase in the rates of excise duty on country liquor;
- (vi) penalty for drinking denatured spirit and
- (vii) enhancement of punishment for excise offences.

The period of four years was allowed in order to give an opportunity to the drinkers, to change their habits of using intoxicants, for the dealers and others engaged in the trade to switch over to other avocations, and to enable the State Government to make the necessary administrative and other arrangements to meet the situation arising from the enforcement of complete prohibition.

33. With the introduction of prohibition the import, export, transport, possession and consumption of country liquor, toddy, foreign liquor, opium and hemp drugs was prohibited except under a permit, licence or authorisation. Permits for the consumption of foreign liquor, opium, ganja and bhang are granted to residents of the State on grounds of health under certain conditions. Defence Forces have been permitted to consume foreign liquor in accordance with rules and regulations in messes and canteens. Diplomatic representatives of foreign countries and their staff, visitors from places outside India where liquor is ordinarily consumed and temporary residents (as defined in the Bombay Foreign Liquor Rules 1953) are granted foreign liquor permits. Authorisations are issued for the possession and use of wine or liquor to Parsees, Christians and Jews for sacramental purposes. The use of intoxicants by registered doctors,

vaidyas and homeopaths is permitted by licences granted under the Bombay Prohibition Act. Provision has also been made for licences and permits for the use of denatured spirit, rectified spirit, alcohol etc., when these are required for scientific and similar purposes.

34. It will be seen from the following statement that licit consumption of country spirit has been completely eliminated and that of foreign liquors, opium and hemp drugs shows a marked decrease since 1946-47:—

	1946-47	1950-51	1952-53	1953-54
Country spirit (Proof gallons) .	10,92,625	447	7.7	4.6
Fermented liquors (Imperial gallons)	10,44,704	58,409	1,39,381	1,58,552
Wines (Imperial gallons) . .	35,833	4,312	8,233	7,311
Potable spirits (Imperial gallons) .	9,03,564	43,116	66,662	68,438
Opium (Seers) . . . .	24,628	3,119	1,227	900
Ganja (Scers) . . . .	46,330	933	308	196
Bhang (Scers) . . . .	6,993	201	240	175

35. There was also a progressive decrease in the consumption of toddy. The figures of sales of toddy are not dependable; the number of trees tapped being a better indication of consumption. The number of toddy trees licensed for tapping was 2,60,363 in 1948-49 and fell to 1,47,245 in 1949-50. Consequent on the introduction of prohibition no licences or permits for personal consumption of toddy were issued. The increase in the consumption of potable foreign liquor in 1952-53 was due to certain changes in the grant of permits after the enactment of 1952 Amendment Act as a result of the decision of the Supreme Court.

36. The excise receipts declined from a peak of about Rs. 891 lakhs in 1945-46 to Rs. 107 lakhs in 1950-51 which was the first year of complete prohibition and to Rs. 69 lakhs (revised estimates) in 1954-55. The major part of the current revenue under this head is derived from the levy of a special sales tax on intoxicants, vend fees and liquor permit fees, duties on medicinal and toilet preparations containing alcohol, opium etc. and the receipts from power alcohol schemes

37. *Saurashtra*.—Prohibition on the lines of Bombay was introduced in Saurashtra from the 6th April 1950. In Saurashtra the habit of drinking was not so widespread as in some other States and therefore it had not to contend with great difficulties, financial and administrative. It is estimated that the covenanting States derived about one crore of rupees as excise revenue. In 1950-51 excise revenue was placed at about 15 lakhs and fell to Rs. 7 lakhs in 1954-55. Almost the entire receipts are derived under opium and duties on medicinal and toilet preparations containing alcohol. The trend in consumption of various intoxicants is indicated in the following statement:—

Year	Country spirit (Proof gallons)	Foreign liquors * (Imperial gallons)	Opium (Seers)	Ganja (Seers)	Bhang (Seers)
1950-51 . . .	..	413	4,836	4,222	2,000
1951-52 . . .	..	643	4,282	9,312	5,899
1952-53 . . .	..	527	3,313	1,475	1,908
1953-54 . . .	..	791	2,459	415	275

38. *Madras*.—Unlike Bombay and Saurashtra, prohibition in the composite State of Madras was introduced area-wise in three stages. Eight districts were made dry with effect from 1st October 1946, eight more in 1947 and in the last stage prohibition was extended to the remaining nine districts from 2nd October 1948, except the Agency tracts of Visakhapatnam and Godavari districts. The Prohibition Act is applicable to alcoholic drinks and all injurious drugs. Tapping of toddy was also prohibited except in the Agency areas where the Koyas were permitted to tap trees for fermented toddy for their personal consumption. In other districts the collector and other officers are empowered under the Act to issue licences for tapping of sweet toddy either for consumption or manufacture of jaggery and to issue permits for possession, transport and sale of sweet toddy. There is provision for exemptions (a) for the use of any specified liquor or intoxicating drug on the ground that it was required for medicinal, scientific, industrial or such like purpose; (b) possession and use of liquor for any bonafide religious purpose in accordance with ancient customs under certain conditions; (c)

\*The term foreign liquors in this and other Statements in this chapter includes Indian made foreign spirits.

for bonafide travellers while passing through the prohibition area and (d) for members of the armed forces. Non-Indians are given permits to consume a limited quantity of foreign liquor; Indians are allowed permits on the strength of medical certificates but the maximum quantity allowed is half of that granted to foreigners. Ganja is issued only for medicinal purposes. The issue of opium to registered addicts only was subjected to a progressive annual cut of 20 per cent. from 1st October 1949 and should have ceased generally by the end of September 1953; however, small quantities of opium are allowed to addicts on grounds of health under medical certificates.

39. Before the last War in 1938-39 the major head Excise was the second largest source of revenue next in importance only to Land Revenue. The receipts rose from Rs. 3.7 crores in 1938-39 to Rs. 12.8 crores in 1945-46 or to three and half times the prewar figure. The yield has now fallen to less than Rs. 32 lakhs for Madras and Andhra together. These receipts arise mainly on account of duties on medicinal and toilet preparations containing alcohol, the sales tax on foreign liquor sold to permit holders and fines and confiscations for prohibition offences.

The consumption figures for various kinds of intoxicants are given below:—

Year	Country spirit (Proof gallons)	Foreign liquors (Imperial gallons)	Opium (Seers)	Ganja (Seers)	Bhang (Seers)
1945-46	24,45,543	15,33,407	19,642	39,773	5,415
1949-50	..	49,075	7,430	14	..
1952-53	..	86,602	2,449	12	..

#### *Partial Prohibition States*

40. *Mysore*.—Prohibition is in force in six out of a total of ten districts (in addition to six taluks) covering about 70 per cent. of the area and 56 per cent. of the population of the State. Started as an experimental measure in 1938, the progress of the dry area scheme was slow and by the end of June 1947 it covered only two taluks. In order to achieve better results Government decided to abandon the scheme of progressive reduction in favour of introducing total

prohibition area-wise. Three districts were declared dry from 1st July 1948 and another two one year later. The seven taluks of Bellary district transferred to Mysore State from 1st October 1953, were already dry. The progress achieved has been satisfactory though the pace has been slow. Excise revenue has fallen from Rs. 2 crores in 1950-51 to Rs. 1.5 crores in 1954-55. The receipts accrue mainly under country spirit and country fermented liquor. Consumption of various kinds of intoxicants is shown below:—

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Year		Country spirit (Proof gallons)	Foreign liquors (Imperial gallons)	Opium (Seers)	Ganja (Seers)	Bhang (Seers)
1950-51	. .	2,26,955	52,966	703	5,203	.
1951-52	. .	2,16,315	57,599	643	5,829	..
1952-53	. .	1,61,185	46,097	539	4,664	..
1953-54	. .	1,45,320	73,923	492	5,010	..

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41. *Uttar Pradesh*.—There is prohibition in 11 out of a total of 51 districts besides three pilgrim centres, representing about one-sixth of the area and a little less than one-fifth of the population of the State. A beginning was made in 1947-48 with seven districts; in each of the following two years two districts were made dry. The total loss of excise revenue as a result of these measures is placed at Rs. 1.4 crores. The State Government is committed to the policy of total prohibition as the ultimate goal. Other measures adopted in furtherance of the policy of restricting consumption of intoxicants were cancellation of cinema bar licences, foreign liquor licences in Railway refreshment rooms and licences in respect of bars attached to dance halls throughout the State, reduction in the number of restaurant bar licences, curtailment of hours of sale for all urban excise and opium shops and doubling the scale of licence fee for the retail vend of foreign liquor, etc. In addition to these measures the rates of duty on exciseable articles have been progressively raised. Excise receipts at about Rs. 5 crores in 1944-45 accounted for a little less than one-fifth of the total revenues of the U. P. Government. The figure rose to Rs. 6½ crores in 1950-51 which was the peak year. Since then excise revenue has declined in importance, the receipts being placed at Rs. 5.4 crores in 1954-55 or 7



per cent. of the total revenue receipts. Consumption of various kinds of intoxicants in the recent years is indicated below:—

Year	Country spirit (Proof gallons)	Foreign liquors (Imperial gallons)	Opium (Seers)	Ganja (Seers)	Bhang (Seers)
. .	12,69,156	10,75,978	20,604	40,281	1,58,898
1947-48 . .	11,34,328	6,64,282	24,872	35,510	1,52,500
1948-49 . .	9,34,264	4,02,144	16,110	17,925	1,43,571
1949-50 . .	9,38,547	4,26,868	16,910	10,378	1,43,506
1950-51 . .	9,73,968	4,17,552	19,623	8,827	1,69,005
1951-52 . .	9,64,955	3,16,352	16,307	5,974	1,21,730
1952-53 . .	7,74,734	2,44,436	10,496	5,582	1,82,631
1953-54 . .	7,94,922	3,47,292	12,528	5,071	1,81,388

42. *Madhya Pradesh*.—Between the years 1938 and 1940 prohibition was made effective over an area of 22,285 sq. miles. The movement recorded a set-back during wartime after the resignation of the Congress Ministry but in 1946 after the popular Ministry assumed office 17,358 sq. miles were added to the dry area. The position in this respect has remained almost unchanged over the last decade; the dry area covers about one half (48 per cent) of the population and about one third of the total area of the State. In pursuance of the recommendation of the Prohibition Enquiry Committee (1951) the scheme of prohibition through permits has been introduced as an experimental measure in the whole of Buldana district and Katni—Murwara tahsil of Jabalpur district with effect from 1st February 1953. Restricted quantities of country spirit are issued under this scheme to addicts on permits through shops run by vendors authorized by Government.

Before the War excise was not an important source of revenue in C.P. and Berar; the receipts at Rs. 64 lakhs in 1938-39 formed about one-seventh of the total revenue. The proportion rose to about one-fifth during the War. At present the yield from excise around Rs. 2 crores accounts for about 8 per cent. of the total revenue receipts of the State excluding transfers from the Revenue Reserve

Fund. The following statement shows the consumption of various kinds of intoxicants;—

Calendar year	Country Liquor* (Proof gallons)	Foreign liquors (Imperial gallons)	Opium (Seers)	Ganja (Seers)	Bhang (Seers)
1946 . . .	7,20,331	1,11,312	7,827	27,925	2,626
1947 . . .	5,65,167	52,273	9,016	28,497	3,068
1948 . . .	7,09,273	23,501	7,352	13,858	2,113
1949 . . .	6,28,260	24,903	7,562	13,134	2,269
1950 . . .	5,68,176	23,593	5,909	10,766	1,261
1951 . . .	5,34,690	24,424	4,660	12,256	1,269
1952 . . .	5,95,578	27,036	4,952	12,395	935
1953 . . .	5,00,908	27,435	4,544	7,919	570
1954 . . .	4,50,682	28,921	3,942	4,508	331

43. *Orissa*.—Legal prohibition was introduced in rural areas of three coastal districts of Cuttack, Puri and Ballasore during the years 1947-49 and from April 1954 was extended to include their urban areas. The erstwhile Baramba State whose ruler did not allow any kind of liquor or toddy to be sold may also be considered dry. In prohibition areas permits are issued for foreign liquor only, the number in three districts was small i.e. only 32. Excise was the largest single source of revenue towards the end of the War period and contributed about a quarter of the total revenue of the State in 1945-46. It retained its predominant position till 1951-52 when it formed about 17 per cent. of the total revenue receipts. It is now the second largest source of revenue, the estimated yield was Rs. 1.5 crores in 1954-55. A distinct feature of the excise revenue in Orissa is that opium is the most important item contributing more than two-fifth of the receipts under this head.

44. *Travancore-Cochin*.—In Travancore-Cochin 14 out of a total of 36 taluks, covering about 30 per cent. of the total area are under prohibition. It was introduced in one taluk of the Cochin State in 1947 and six taluks of Travancore State in 1948 and was gradually extended to other areas. The sale and consumption of all kinds of alcoholic liquors and intoxicants have been restricted in the 'dry'

\*The figures of consumption of country liquor are exclusive of toddy.

areas: these are allowed to addicts under a licence system on medical grounds. The sale of 'essences' which were being misused has been completely banned from 1st April, 1954. Excise receipts estimated at a little more than Rs. 2 crores in 1954-55 form 12 per cent. of the total revenue of the State.

45. *Other States.*—Dry area schemes in force in Assam, Punjab, Madhya Bharat are not of much significance. In Assam liquor was prohibited in the Barpeta sub-division of Kamrup district from 1st March 1953 and the Prohibition Act was applied to certain parts of the Gauhati sub-division in October 1954. In Punjab prohibition in respect of liquor only was introduced as an experimental measure in one out of 13 districts, viz., Rohtak with effect from 2nd October 1948. In Madhya Bharat, Bhilsa district was made dry since 12th December 1948. Himachal Pradesh has a little over 14 per cent. of the area under liquor prohibition. The whole of this area was made dry by the ex-rulers of certain hill States before the formation of Himachal Pradesh.

#### *Non-Prohibition States*

46. In this category are included West Bengal, Bihar, Hyderabad, Rajasthan, PEPSU and all Part C States except Ajmer and Coorg. The policy followed by these States is the old policy of maximum revenue from minimum consumption except that some of them for example, West Bengal and Bihar have declared total prohibition as the ultimate goal. These two States have pleaded financial considerations for not introducing prohibition; excise receipts forming 10 to 12 per cent. of their total revenues. It would appear that the Rajasthan and PEPSU Governments have not so far been able to formulate a definite policy in this respect. Excise revenue has fluctuated between one-third and one-fourth of the total revenue receipts of PEPSU Government during the last five years. Hyderabad has no programme for immediate prohibition; excise revenue in the State forms about 28 per cent. of the total revenue. As preliminary steps towards the goal of prohibition, the following measures have been taken by some of the States including West Bengal and Bihar:—

- (a) gradual upgrading of taxation;
- (b) shortening hours of sale;
- (c) reducing the number of shops;
- (d) closure of shops on days of national importance such as the Republic Day, Mahatma Gandhi's Birth Day; and

(e) intensification of measures for the prevention of illicit distillation.

Most of the Part C States have applied restrictive measures to check the consumption of intoxicants. In the current year Delhi appointed a committee to make recommendations for introducing prohibition and its report is under consideration of the State Government.

# Area and Population under Prohibition in different States

States	1	2	3	4	5	6	7
		Total Area (Sq. miles)	Area under Prohibition (Sq. miles)	Percentage of column 3 to 2	Total Population (In lakhs)	Population of dry areas (In lakhs)	Percentage of column 6 to 5
<b>A.—Prohibition States</b>							
Andhra . . . . .	.	63,417	56,693	89.4	205	199	97.1
Madras . . . . .	.	60,362	60,362	100.0	357	357	100.0
Bombay . . . . .	.	1,11,434	1,11,434	100.0	360	360	100.0
Saurashtra . . . . .	.	21,451	21,451	100.0	41	41	100.0
		2,56,664	2,49,940	97.4	963	957	99.4
<b>B.—Partial Prohibition States</b>							
Assam . . . . .	.	85,012	2,692	3.2	90	3	3.3
Madhya Pradesh . . . . .	.	1,30,272	39,643	30.4	212	80	48.0
Orissa . . . . .	.	60,136	8,524	14.2	146	36	24.7
Punjab . . . . .	.	31,215	2,471	7.9	126	11	8.7
Uttar Pradesh . . . . .	.	1,13,409	19,229	16.9	632	119	18.8
Madhya Bharat . . . . .	.	46,537	2,114	4.5	80	3	3.8
Mysore . . . . .	.	33,500	23,320	69.6	99	55	56.0
Travancore-Cochin . . . . .	.	9,144	2,815	30.7	93	25	26.7
Himachal Pradesh * . . . . .	.	11,524	1,648	14.3	11	2	18.2
		5,20,749	1,02,456	20.0	1,489	334	22.4
(i) TOTAL (A + B)	.	7,77,413	3,52,396	45.3	2,452	1,291	52.6
(ii) TOTAL FOR INDIA	.	12,69,640			3,568		
Percentage of (i) to (ii)	.			27.8			36.2

\*The figures include those for Bilaspur State since merged in Himachal Pradesh.





## Chapter III

### NATIONAL PROGRAMME

In the previous Chapter, the position in the States in respect of prohibition policy has been briefly set out in its historical perspective. The first of the terms of reference directs us to

“examine the experience gained regarding measures adopted by State Governments to promote prohibition with a view to assessing the extent to which these have been successful and analysing the practical difficulties—administrative, economic, social and others which have come in the way of implementation of the programme of prohibition”.

We note with appreciation the steps which have already been taken in the States of Madras, Bombay, Saurashtra and Andhra towards introducing complete prohibition. We have studied with care the experience gained in these and other States engaged in implementing the programme of prohibition either throughout the State or in areas selected for the purpose. We have also studied the reports published by the State Governments of Bombay, Madras, Andhra and Madhya Pradesh reviewing the conditions under which prohibition has worked. The valuable testimony of witnesses, reflecting public opinion in its attitude to prohibition, has been exceedingly helpful in enabling us to assess the extent to which prohibition has been felt as beneficial reform. There is considerable support to the view that in these States prohibition has improved the physical health and the economic status of the people who were formerly given to liquor and drugs. The surveys carried out in the States record distinct social and economic gains that have accrued to ex-drinkers and their families.

2. The State Governments have placed before us their own assessment of the extent to which prohibition has been successful within the limits of their territories. The Government of Madras is of the view that most of the old addicts have given up drinking excepting for a hard core which remains still to be dealt with. In regard to numbers, they say that it can reasonably be assumed that out of the 20 to 25 lakhs of people who used to consume



arrack or toddy, only twenty-five per cent. remain to be reclaimed. In Bombay State, the estimate in regard to numbers is more or less similar. In their memorandum, mention is made of approximately "thirty per cent. of the previous addicts still consuming liquor and drugs". The Government of Saurashtra reports that drinking was not a serious problem in the State and that most of the addicts have gradually given up the drinking habit. The memorandum from the Government of Andhra says: "No evidence of a statistical nature is available so as to be able to estimate with any degree of accuracy the percentage of old addicts who are still consuming liquor or drugs. However, it does seem that the decrease in the number of addicts is more marked in the case of arrack, toddy and ganja than in the case of opium and foreign liquor".

3. It is difficult to assess in precise terms the economic effects of prohibition on ex-drinkers and their families. A comparison which is based on a single factor would not be correct. To work out an assessment of economic benefits, prohibition should be accorded its proper place in a list of factors such as a rise in labour earnings, employment opportunities, price level, etc. Nevertheless, prohibition is one of the important factors in the economic well-being of the wage-earning classes. Adverting to the economic effects of prohibition, the memorandum of the Government of Bombay states: "The money which now remains unspent on account of the non-availability of intoxicating liquor and drugs finds its use in fruitful directions. Debts incurred before are now being repaid; houses are being repaired or re-built. Earthenware utensils are being replaced by copper and brass ones. The ex-addicts are now able to afford better food and clothing and make even ornaments for their wives; give toys to their infants and education to their children. Most of the ex-addicts have been able to improve their farm lands; purchase farm equipment and even livestock". It is significant that as a result of prohibition, there has been a marked improvement in the conditions of several scheduled tribes. Both the editor of the "Harijan" and Shri Jagat Ram Dave of the Vedchi Ashram who know conditions of these people intimately, informed us that these backward people have by virtue of prohibition been enabled to live better lives. They have found more amenities for themselves and for their children after the advent of this reform. Various labour associations in their statements have impressed upon us that prohibition has brought about a marked change in

the standard of living of the working classes in urban areas. One such area prominently brought to our notice was Ahmedabad. The ex-addicts of Ahmedabad, we are told, are maintaining the same lines of improvement as recorded in the "Report on the Results of the Dry Area Scheme in Ahmedabad during 1938-39" by the Prohibition Research Advisory Board constituted by the Bombay Government under the chairmanship of Shri Gulzarilal Nanda. The enquiry which covered 6,584 persons of whom 5,279 were drinkers and 1,305 non-drinkers and was based on a study of their family budgets brought out "that the savings due to prohibition constituted an enduring gain and that the ex-drinkers were able to spend more on articles of essential consumption than during the pre-prohibition days". The following findings appear in the Report under the caption "Economic Advantages of Prohibition":—

"The results of the enquiry show that the available resources of the working class per annum increased by Rs. 31·27 lakhs made up of Rs. 22·0 lakhs due to the avoidance of expenditure on drink, Rs. 3·25 lakhs as a result of the absence of expenditure incidental to drink, Rs. 3·31 lakhs accruing from an increase in income and Rs. 2·59 lakhs on account of a decrease in harmful or unnecessary expenditure.

"This enhanced spending power was utilised to the extent of Rs. 19·16 lakhs in increased expenditure on food, clothing, etc., to the extent of Rs. 7·22 lakhs in repayment of debt and to the extent of Rs. 4·89 lakhs in other directions".

The continuance of prohibition over a number of years has enabled industrial labour in this area to work up to a still better standard of living, spending more money not only on essential articles of consumption but also on the education of their children and participation in the wider social life of the city where they live. Shri Khandubhai K. Desai, Union Minister of Labour, whose knowledge of labour conditions is intimate—extending over a period of thirty years—pointed out to us that industrial labour has been able, on account of prohibition, to retain twenty to thirty per cent. of the wage bill which was earlier frittered away on drink. It is significant, according to him, that the district of Mehsana from which a large number of textile workers is drawn to Ahmedabad is reflecting signs of increased prosperity. Though no consistent effort has so far been made to present in statistical array all the cumulative benefits of prohibition, evidence is plentiful, pointing to the fact that improved conditions are disclosed even to the casual observer who has had an opportunity to compare pre-prohibition conditions with those of the present.

4. A survey of the economic results of prohibition in Salem district, Madras, was conducted by Prof. P. J. Thomas in the year 1937-38 in the early prohibition period, but the observations made therein are amply corroborated in later surveys. The report states: "The spending power formerly used for drink has been devoted largely to a more varied and adequate diet, better clothes, and more amusements. There has been a significant change in the items of food used by the working classes, especially in Salem town. The expenditure on tea and coffee, vegetables, curds, ghee, oils and meat has increased; that on smoking and chewing has diminished in some cases. The whole of the spending power liberated has not been used for immediate consumption; several of the former drinkers have saved sums for purchasing ornaments and brassware and for repaying debt. Borrowings among labourers have been less this year, largely due to the banishment of drink from marriages and other feasts. This will have healthy reactions, especially among agriculturists". More or less the same findings were recorded by the Madras State Prohibition Enquiry Committee in 1948: "Ex-addicts get more nourishing food, wear better clothes and some have even acquired dwelling houses to live in and bits of agricultural land to cultivate". An investigation conducted by the Economic Adviser to the Government of Madras in December 1951, re-affirmed the same conclusions and claimed that the introduction of prohibition has helped the ex-addict to feed and clothe himself and his family better, as a result of saving of a substantial portion of his income previously frittered away on drink. The report adds: "there has also been a shift in the expenditure of the ex-addicts' families from items such as marriages in pre-prohibition period to the purchase of items of a capital nature, such as sinking of wells, improvements to land and houses, purchase of work bulls, etc. This beneficial trend would have been more pronounced but for the neutralising effects of a rapid rise in the cost of living which led to a fall in the purchasing power and also adverse seasonal conditions till last year". It may be mentioned here that the improvement in the conditions of industrial wage-earners such as mill labourers, stone-workers and hand-loom weavers, has been particularly stressed in these surveys.

5. The memorandum of the Saurashtra Government, while concluding that prohibition has definitely raised the standard of living of the addicts, states: "addicts not only maintain their families within their earnings but are also able to save from their incomes

for the future. Some addicts have been able even to redeem mortgages which they were not able to do before the introduction of prohibition".

6. As to the social effects of prohibition, the Bombay memorandum says: "Improvement in the condition of  
**Social gains** addicts has been a great asset to the society at large. The ex-addict who was formerly considered as a discarded fragment of the society, has now regained lost prestige and is looked upon as an active and useful member of the society". The Government of Saurashtra mentions that "addicts have now become conscious of their rights and duties as citizens". They actively participate in *sanskar kendras*—a specialised type of social education centre catering to the particular needs of backward classes and communities. Among industrial workers, the results have been striking. One of the indirect effects of prohibition has been to quicken the civic sense of workers in some of the bigger cities. In Ahmedabad Corporation, for instance, out of its 64 members, 21 belong to the working classes. Some of them even occupy the position of chairman of committees. It has been brought to our notice that relationship between management of mills and labour in Ahmedabad is now straight and business-like. In all the memoranda of State Governments, it is claimed that in both urban and rural areas, family quarrels and street brawls have been practically eliminated—a fact to which there is universal and impressive testimony.

7. From the health point of view, State Governments agree that the condition of ex-addicts has considerably improved. This is the general picture presented in the memoranda of State Governments and in the factual surveys carried out by those who had opportunities to compare pre-prohibition conditions with those obtaining after the introduction of prohibition.

8. In obtaining these results, State Governments have had to face a number of complex organisational problems.  
**Difficulties encountered** They have also had to contend against numerous practical difficulties arising from the very nature of the effort needed for complete prohibition. The Governments of Bombay, Madras and Andhra have laid considerable emphasis on these difficulties, which in the main may be attributed to imperfections in enforcement methods, and the lack of effective public opinion to back enforcement. The difficulties are indicated below:

(a) *Administrative*

(i) administrative difficulties arising out of the lack of proper enforcement staff and want of adequate facilities for quick transport;

(ii) facilities afforded for smuggling by the peculiar geographical situation of some States and border problems created by adjacent wet States and foreign pockets;

(iii) absence of protection to witnesses and the lenient attitude of magistrates in general, in prohibition cases; and

(iv) the comparatively simple process of manufacture of illicit liquor and the easy availability of base materials for such purposes.

(b) *Legal*

(i) the inadequacy of punishment for grave offences and procedural difficulties;

(ii) the absence of control over inter-State trade in spirituous and medicinal preparations and ineffective control over manufacture and sale of these preparations within the limits of States.

(c) *Social*

(i) the absence of active public support towards enforcement of prohibition and consequent indifference towards prohibition offences;

(ii) lack of adequate facilities for counter-attractions and propaganda; and

(iii) lack of specialised institutions for dealing with addicts.

(d) *Economic*

(i) The lucrative nature of smuggling and distillation which lure the unemployed to engage in such illegal activities; and

(ii) unemployment created by the introduction of prohibition as among toddy-tappers.

In the partial prohibition States, the same difficulties were experienced with further complications due to the area-wise introduction of prohibition. The proximity of wet and dry areas in these States has given a stimulus to smuggling and illicit traffic. Wet strongholds and dry pockets go ill together. While dry areas suffer unlawful incursions from the wet, the wet areas have shown a tendency towards increased consumption of liquor due to the frequent migration of addicts from dry areas. We note that State Governments themselves have given much anxious thought to these difficulties and to adopt remedial measures. They have placed be-

fore us numerous suggestions in order to obviate these obstacles and render implementation of prohibition more effective. All these difficulties enumerated above have to be tackled in a spirit of practical realism if prohibition is to be made an enduring nationwide policy. A more detailed analysis of these difficulties has been made and solutions suggested in Chapter IV.

9. Although several State Governments embarked on a policy of prohibition in selected areas nearly sixteen years ago, there was generally a return to the excise policy during the War years. It was not till October 1948, that complete prohibition was introduced in the composite State of Madras; in Bombay it came into force from April 1950. A period of five or six years is a relatively short time for a reform of this character to be fully assessed. However, our own assessment of the experience gained in the prohibition States regarding steps taken to promote prohibition in the last five or six years is that the measure of success achieved is by no means small. The consumption of liquor has been considerably reduced. We are convinced that the policy of prohibition has been effective to the extent that the quantity of illicit drink now consumed by addicts who have not given up drinking, is much smaller in comparison with the quantity of licit liquor consumed in pre-prohibition days. A distinct gain is that prohibition of toddy has been successful. In the case of other liquors, prohibition has succeeded in weaning away a large number of casual drinkers who were generally averse to breaking the law. What is more important is that in the areas under prohibition, the younger generation is saved from acquiring the habit of drinking and we regard this as a valuable asset. We do not deny that there has been an increase in offences on account of illicit practices in prohibition States, but we think that the extent of such malpractices is often exaggerated. This aspect of the matter is dealt with in the next Chapter. In the partial prohibition States, the success of prohibition has been limited on account of the existence of wet and dry areas side by side. Consumption of alcoholic drinks and intoxicants even in these States has been reduced to a considerable extent in the dry areas. Despite all difficulties experienced in the working of prohibition, we are of definite opinion that prohibition is not only a sound policy but also a practical proposition. The aim

should be to promote nation-wide prohibition and to achieve better and more lasting results through effective implementation.

10. We have also taken note of the existing conditions obtaining in States which so far have taken no steps towards prohibition. They reveal that the excise policy in force in these States, which may be briefly summarised in the old familiar phrase 'minimum consumption and maximum revenue' has, in reality, failed to achieve the objective of reducing consumption. While maximum revenue is being raised from a helpless people exposed to continuing temptations, no tangible results have been secured in minimising consumption. It should be obvious that an unfailing and abundant supply of liquor near at hand for frequent indulgence makes for systematic drinking. We have noticed with concern that in non-prohibition States and in wet areas of partial prohibition States, the drink habit has been gradually spreading among classes hitherto not accustomed to it. Several witnesses have testified to this fact. In larger urban areas, almost every witness affirmed that the drink habit was steadily on the increase. For instance, the Excise Commissioner of West Bengal was positive that "the evil of drink has spread alarmingly amongst the younger generation and even among some of the womenfolk of the upper classes in Calcutta". The Delhi State Government reports that "students coming from well-to-do families have picked up the habit of visiting hotels where liquor is served. Some women belonging to advanced families have also been noticed to have taken up the drinking habit though their number is quite small". This illustrates that drink is year after year steadily gathering recruits. Liquor is habit-forming and it is needless to say that with the habit once formed, it is hard to obliterate the craving. In the wet areas of partial prohibition States, the same phenomenon of increasing consumption is noticed. In the wet part of Madhya Pradesh, the consumption of country spirits in the year 1953 stood at 5,00,908 gallons for 48 per cent. of the State population as against 6,48,933 gallon for the entire population in the pre-prohibition year 1945. We were informed that in the main industrial areas, such as coal mines, jute mills and the like, and amongst concentrations of labour in the Assam tea gardens and the large irrigation and other projects, liquor has entrenched itself into the economic life of the workers. The liquor traffic is enlarging itself. This aspect of the problem has therefore to be approached with a sense of urgency.

11. Some doubts have been expressed about the nature of the Directive Principle in the Constitution relating to prohibition. The question has been raised whether the Directive is of such a character as would require the States to follow it up. Clarification has also been sought as to the import of the language employed in the Directive. We may therefore proceed to examine Article 47 as one of the Directive Principles of State Policy relating to prohibition which runs as follows:—

**Constitutional aspect**

“The State shall regard the raising of the level of nutrition and the standard of living of its people and the improvement of public health as among its primary duties and, in particular, the State shall endeavour to bring about prohibition of the consumption, except for medicinal purposes, of intoxicating drinks and of drugs which are injurious to health.”

It definitely lays down the objective as “prohibition of the consumption, except for medicinal purposes, of intoxicating drinks and of drugs which are injurious to health”. The consumption of intoxicating drinks and of drugs which are injurious to health is therefore to be prohibited. Every one of the Directive Principles of State Policy places an obligation on the State to pursue steadily the policies set forth in the Constitution. The Dean of the Faculty of Law, University of Delhi has interpreted the significance of Article 47 in these words:—

“About the obligatory nature of the provisions of Part IV of the Constitution, there is no scope for doubt because Article 37 explicitly provides that ‘the principles therein laid down are nevertheless fundamental in the governance of the country and it shall be the duty of the State to apply these principles in making laws’.

“Therefore an explicit duty is laid on the State by the Constitution. The view that the State can never be subject to a duty or entitled to a right was repudiated by well-known jurists even in England where the State or the Sovereign was regarded as omnipotent. *A fortiori* such a view cannot have any application in a country like ours where the Constitution is supreme and the powers, rights and duties of the State are derived from it.

“Doubt is sometimes entertained about the legal nature of the Directive Principles on the ground that, unlike the Fundamental



Rights, these are not enforceable by the ordinary law courts. Such doubt is founded on the notion once entertained in Britain that a rule is a legal rule only if it can be enforced by the ordinary law courts of the country; but this notion found little acceptance on the continent; even in Britain it has long been repudiated by an increasing number of well-known jurists, mainly due to the growing importance of administrative law and of the conventions of the Constitution. Today the generally acknowledged view is that a rule is a legal rule not because it is recognised by the law courts but because it prescribes a norm of conduct.

“Everywhere there are constitutional provisions which are non-justiciable in the ordinary way but nevertheless closely adhered to. The Directive Principles of State Policy are no less a part of the Constitution as the other parts, and therefore merit as much attention on the part of the State as the other provisions.

“I feel that the Directive Principles of State Policy constitute not only a proclamation—a promulgation of principles—but also a pledge by the framers of the Constitution to the people who elected them, and that not to implement them will constitute a breach of faith with the people and will render a vital part of the Constitution practically a dead letter”.

Looking to the history of this part of the Constitution, “it appears that there is deliberate and substantial difference of expression that distinguishes the Indian Directive Principles of State Policy from similar provisions of the earlier, and, in this respect less developed Constitutions, and certainly a different expression has been evolved to bring in a different import”. The Irish Constitution, which has similar provisions, avoids any words implying legal obligations, merely providing that the Principles are intended for the general guidance of the Legislature. The following observation is made in the Supreme Court Journal: “The language of the Irish Constitution is not repeated in our Constitution for the simple reason that import of the opinion was considered meagre and inadequate for our purposes”. Under the Indian Constitution, it is no longer a matter of general guidance, but an obligation on those who govern the country. The language of Article 37 of the Constitution is very deliberate: “It clearly manifests the anxiety of the framers of the Constitution to see that merely due to the language of the Principles,

their essential legal nature and their full legal obligation are not, in any way, obscured or impaired". Article 37 runs as follows:—

"The provisions contained in this part shall not be enforceable by any court, but the principles therein laid down are nevertheless fundamental in the governance of the country and it shall be the duty of the State to apply these principles in making laws."

Read with Article 37 which makes all Directive Principles fundamental in the governance of the country Article 47 makes it obligatory for every State to make laws to bring about prohibition.

12. The word "State" used in Chapters III and IV of the Constitution, is defined to include the Government and Parliament of India, and the Government and Legislature of each of the States and of local or other authorities within the territory of India or under the control of the Government of India. It therefore becomes the duty of each and everyone of them so to frame their activities as to bring about the fulfilment of the objectives set out. It is apparent that it is not merely the function of the State Governments as such to carry out the policy of prohibition, but some measure of obligation rests on the Union Government, the local administrations and even the judiciary.

13. Article 47 relates prohibition with the improvement of public health. The Supreme Court in the judgment on the *Balsara case*\* said, "Further, a reference to Article 47 of the Constitution supported to some extent the conclusion that the idea of prohibition was concerned with public health, and to enforce prohibition effectively, wider definition of the word 'liquor' will have to be adopted so as to include all alcoholic liquids which may be used as substitutes to the detriment of health". Prohibition, as envisaged in the Article, has an intimate relationship with the safeguarding of public health. In our country, where problems of public health present formidable complications due to the poverty of the people, an important single factor that needs control in the interest of public health would be the elimination of alcoholic drinks and drugs injurious to health. An American writer has said that this would be so even in the case of a prosperous nation, like the U.S.A. and how much more true would it be of this country. Prohibition is a piece of protective legislation. It removes the "agency which deprives men

**Significance of  
Article 47**

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\**State of Bombay vs. F.N. Balsara, A.I.R. 1951 S.C. 318*

and women of their physical well-being, mental equilibrium and economic status". Those who are unable to resist overwhelming temptations placed in their way have necessarily to be protected against themselves. It was the great English statesman, Gladstone who said: "It is the province of Government to make it easy for men to do right and difficult for them to go wrong. In determining what is right and what is wrong, public welfare is the supreme law". The excise system confronts the poor man with the liquor shop wide open. It invites him to do wrong. Prohibition, on the other hand, makes it possible and even easy to do right. It may not be out of place to use the old adage that it is better to hunt evil than to be hunted down by it.

14. Prohibition has in the light of Article 47 of the Constitution, an intimate connection with the standard of living of the people. Here again, prohibition has a peculiar application in this country. Most of the people in India live on a perilous margin of subsistence. Some of them live amidst such conditions that they may be said not to have reached anything like a 'standard of living'. The Taxation Enquiry Commission observed that in India "expenditure on social welfare or subsidies by way of transfers to the low-income groups is of little significance". State action benefits them but little. An effective single blow that can be struck at this seemingly unbreakable poverty is the elimination of drink and drugs. Industrial workers in this country spend a substantial part of their earnings on liquor. The Indian National Trade Union Congress has drawn pointed attention to this fact. "Data collected regarding expenditure incurred by workers on intoxicants reveals certain important facts. In the family budgets enquiry (1943-44) expenditure on intoxicants in Bombay State and in Gauhati was ascertained to be Rs. 7-1-11 and Rs. 7-1-9 per month respectively. In striking contrast to this, the monthly expenditure on education by these very persons was Rs. 0-3-6 and Rs. 0-6-5 respectively. Family budget enquiries regarding the position of agricultural workers reveal that out of their annual income ranging from Rs. 350 to Rs. 700, Rs. 25 to Rs. 30 are spent on drinks and tobacco. The same agricultural workers spend nothing on education. The surveys carried out in the industrial towns of Hubli, Sholapur and Surat in 1948-49 show that on an average, 15 to 17 per cent. of the earnings of labour were spent on either toddy or country liquor.\* All

\*The Drink Problem in Urban Bombay—Dr. A. M. Loredzo (1953) see Tables 73 to 75—ps. 105—106.

this reveals a very sad picture as noted by the Indian National Trade Union Congress in its resolution on prohibition. To the poorest, prohibition becomes a boon, virtually raising their earnings and thus laying the foundations for a better standard of living. The Directive Principle of the Constitution under Article 47, which particularises prohibition, is not merely the beacon, which illumines the route but an active principle which in the context of intimate connection with public health and living standards becomes an obligatory policy. It should be clearly understood that prohibition and not temperance is envisaged in the Article.

**Meaning of Prohibition** 15. We may at this stage examine the meaning of 'prohibition' in the light of Article 47. We take it to mean that consumption of all intoxicating drinks and of drugs injurious to health is to be prohibited except for medicinal purposes. Some of the Prohibition Acts allow exemptions which in our opinion are not in conformity with Article 47 since they do not relate to medicinal purposes.

**Prohibition—an integral part of Second Five Year Plan** 16. While the Union and State Governments are engaged in drafting the Second Five Year Plan, the Directive Principle of the Constitution under Article 47 concerning prohibition, should be taken fully into account. The Planning Commission has defined the objective of planning in terms of all the Directive Principles and planning to mean co-ordinated development in the various fields. A vital gap will be left in the national development plan, if in an avowedly Welfare State like ours, social welfare schemes for raising the standard of living of the people, more particularly of the low income groups, do not include prohibition. We strongly feel that prohibition should be regarded as an integral part of the Second Five Year Plan. This would also be in keeping with the high cultural and moral traditions of the nation. It will be no insignificant achievement that lakhs of families in our country can be helped to a healthful, wholesome and happy life once they are rescued from drink. The surest foundation for a welfare State is a sober and healthy people.

**Uniform national policy** 17. The present position, viewed in the light of Article 47 of the Constitution, reveals in the States a strange incongruity, some States having boldly forged ahead with schemes of complete prohibition, others hesitating after taking some preliminary steps and still others who have not ventured to check the wanton

desolation left behind by drink year after year. Independent State policies, differing objectives and varying degrees of enthusiasm are not conducive to the achievement of prohibition. Therefore a uniform national policy alone will meet the requirements of the situation. We have now before us the fund of experience in the prohibition States on which other States can usefully draw. In States where partial prohibition is in force, there is unanimity of opinion that the policy would have succeeded in fuller measure if it had been applied throughout the country. Many difficult problems arising from the proximity of wet and dry areas, such as smuggling make it imperative that a nation-wide prohibition policy should be adopted. In every State we visited, there was strong support for such a policy and a demand for putting that policy into effect as early as possible. We are of the opinion that in order to focus the attention of all States to this end and to mobilise popular sympathy in favour of prohibition, it is necessary to fix a definite target date for bringing into effect complete prohibition throughout the country.

18. Several distinguished personalities, including Acharya Vinoba Bhave, Shri C. Rajagopalachari and Shri U. N. Dhebar have urged that prohibition should be introduced forthwith, and that no phasing of the programme is necessary. Acharya Vinoba is of the opinion that the entire country should be under prohibition in one year from now; in his view, this interval should suffice to provide for the preparatory legislation and for other necessary administrative arrangements. Shri Rajagopalachari urged that prohibition should be introduced forthwith in the whole of the country, now that the experiments in Bombay and Madras have succeeded. Shri Dhebar thought that a phased programme was unnecessary and that prohibition should be proceeded with simultaneously all over the country. The Sarva Sewa Sangh has communicated a resolution urging that prohibition should be introduced forthwith. On the other hand, several State Governments have urged that a fairly long period of time would be necessary to bring about complete prohibition and that there should be phased programme spread over a period of five to seven years. This long interval is suggested with a view to enabling them to readjust their finances and gear up the administrative machinery to the level of efficiency which would be necessary for the proper enforcement of prohibition. After taking all the circumstances into account and examining both points of view we have come to the conclusion that it is best to fix a target date which will ensure speedy progress in the march towards complete prohibition,

while rivetting public attention on the problem all the time. The advantage in having a target date is that all parties concerned, the people and the State Governments know that they have to complete their preparations before a specified date.

19. We recommend that the target date for completing nationwide prohibition should be 1st April, 1958. In **target date** recommending this date, we have taken into consideration both the urgency of the situation and the practical difficulties which have to be overcome by the State Governments concerned. We have as indicated later, laid considerable emphasis on the educative and preventive aspects of enforcement of prohibition. We are definitely of the view that introduction of prohibition without adequate preparation on this front is likely to lead to results which will make implementation of the policy difficult. Though financial considerations may be regarded as secondary, this interim period will afford time for the re-adjustment of State finances. If this target date is accepted, results of the working of complete prohibition in every State will be felt before the completion of the Second Five-Year Plan.

20. It has been pointed out that target dates are easy to realise only when they are related to the actual conditions which prevail and indeed grow out of them. The experience of prohibition States has shown that two primary difficulties have to be dealt with. The first is the creation of an active public opinion which will help in enforcement. The second difficulty arises from vested interests and law-breakers. These difficulties should be attended to before the target date. It is of the utmost importance to see that all steps which are contemplated—legislation, enforcement machinery and educational effort—are undertaken in proper time. It should be the care of the Central Committee proposed by us in Chapter IV to adjudge if every State has made the preparation considered adequate for the purpose of launching complete prohibition. If it is found that any State is not adequately prepared, attention should be drawn to such defaults as might occur and the State should be asked to make good all that is needed to complete effective preparation. The Central Committee may make a report reviewing the position from year to year showing how far the steps taken have progressed, and this report may be placed before the National Development Council for review and assessment. This would ensure that the steps will be taken in time in all States and thus enable fulfilment of the plan by the target date.

21. We further recommend that by the end of the current year **Declaration of Policy by States** **ance of this policy and the target date and thus prepare the public to fully co-operate in the fulfilment of the prohibition programme.** A clear-cut statement may also be issued by the Union Government to the effect that prohibition has become the national policy of the Government and that through a gradual process of education, tightening of restrictions and enforcement, the use of intoxicating drinks and of drugs injurious to health, except for medicinal purposes is to be completely stopped and by the 1st April 1958 prohibition will become national law through the State Legislatures.

22. The intervening period between the date of the declaration of this policy by the State Governments and the coming into effect of complete prohibition, i.e., 1st April 1958, should be utilised for bringing into existence requisite machinery and also to take other preparatory steps in the direction of prohibition. In States where prohibition, is already in force, their programme will naturally continue, but with greater vigilance and with specific additional measures recommended by us to ensure better and more concrete results. In States where partial prohibition obtains we recommend that steps should be taken to widen the scope and to secure effective implementation of the policy of prohibition so as to cover the entire State area.

23. We now proceed to a consideration of the various steps that should be taken in the three categories of States namely (i) States which have made no beginning towards prohibition; (ii) States where partial prohibition is in force; and (iii) States where complete prohibition is in operation.

In States which have yet made no beginning towards prohibition is in force, we recommend that on 1st April 1956, there should be stoppage of drinking in hotels, bars, restaurants, messes, clubs, cinemas and in parties and functions; social, religious and otherwise. The stoppage of drinking in hotels and restaurants, etc., is intended to nullify the little social prestige that yet attaches to drink in some quarters and to strengthen the feeling of social odium which is so necessary to bring about the climate for prohibition. Once all visible drinking stops,

there is bound to be an immense psychological change in the public attitude to drink since the very first step will stamp "the liquor traffic with the ineffaceable stigma of outlawry and this traffic can never be re clothed with its former prestige in the approval of well-disposed citizens".

We are of the view that during the transition period, in the case of hotels serving foreign visitors and tourists, there may be provided a separate room for service of liquor to them. Such hotels should be specified by State Governments and rules made in regard to the service of liquor on temporary permits for foreign visitors and tourists. We are of the view that during the transition period in regard to the messes of Defence Forces, liquor should not be served at the table when outsiders are invited.

24. We recommend that from the 1st April 1956, advertisements and all other public inducements relating to drink should be prohibited. This step has already been taken in the prohibition States and stoppage of advertisements forms part of the law in such States. The sale of foreign liquor depends in a measure on advertisements in newspapers and other public inducements. This generally takes the form of high pressure propaganda presented in magazines, the press, radio and sales solicitations. Some of the advertisements are so phrased as to be highly insidious in character and seek to 'glamorize' liquor as a boon to fellowship and aid to happiness and well-being. Liquor interests are known to spend large amounts of money on propaganda of which advertisements form a substantial part. People caught unawares by such propaganda are likely to become easy victims. The younger generation who may be strangers to drink, may well imbibe the false glamour in such advertisements and therefore stoppage of advertisements becomes a necessary first step.

25. We also recommend that between the 1st April 1956, and the **Steps before the target date** target date the following steps be taken:—

- (a) the number of liquor shops in both rural and urban areas should be progressively reduced;
- (b) liquor shops should be closed for an increasing number of days in a week;
- (c) a proportionate reduction should be effected in the quantity of supplies to the shops;



- (d) the strength of distilled liquor produced by distilleries in India should be progressively reduced;
- (e) the closure of shops in and near specified industrial and other development project areas should be given high priority; and
- (f) removal of shops to places away from living quarters in villages and towns; shops in big towns should not be located in the main streets where drinking would be visible to the public.

We wish to emphasize that progressive steps mentioned in paras 23 to 25 should not be undertaken area-wise. These steps are best undertaken by different States throughout their areas, and not in certain selected districts only, in order to avoid innumerable complications that necessarily follow from the proximity of dry and wet areas.

26. It was suggested to us that a phased programme of prohibition could be undertaken area-wise or liquor-wise or through a reduction of shops and supplies. Some States including Madras, Orissa and Hyderabad have suggested the area-wise scheme. On examination of the experience in the States which have followed this plan, it was found that it created more difficulties in the way of proper implementation of the prohibition policy. To make drinking legal in certain parts of a State and illegal in other parts did not help to keep up the morale either of the people or of the officers concerned. As already stated, the border problems created by smuggling and illicit traffic made for additional obstacles. A liquor-wise extension of prohibition was not suggested by any State though a few witnesses drew our attention to it. The principal defect of such a phased plan would be that addicts would be compelled to take to other types of liquor than the ones to which they were previously accustomed. They might be driven under such an arrangement to hard liquors which are more difficult to give up. For instance, toddy drinkers might become addicts to spirits—a most undesirable consequence. Further, it would also be difficult to keep illicit distillation under check, for drinking would still be legal and mere drunkenness would not be an offence during the phased period. In view of these circumstances, we considered it necessary to recommend the scheme which aims at reduction of supplies and shops, tapering into full prohibition.

27. With regard to the action contemplated at (a) to (d) it may be mentioned that once these steps are taken, the whole population

will feel the move towards prohibition. It will not be an experiment confined to a particular area or district but a national scheme applicable to the whole country. All parts of the country will feel that the States have begun to march in right earnest towards the goal of prohibition.

In regard to (b) we suggest that special attention should be given to pay days, festivals, national celebrations, elections and the like, apart from specified days in the week. Any appreciable reduction in the number of shops may not by itself bring about any significant decline in consumption, but closure on pay days and on festive occasions may perhaps enable poor classes to save part of their earnings which tended to disappear into drink. We understand that this practice has been found, to a limited extent, beneficial even under the present system of excise. The wife or the mother may be able to get at most part of the cash wages when a worker returns home on pay day without deviating into the liquor shop. Celebration of festivities may not be marred by ugly demonstrations which usually result if liquor shops are kept open. We understand that the present practice in most of the States is to close liquor shops on election days. It would perhaps be better to close the shops for more days on such occasions.

28. With reference to (e) it has been brought to our notice that in the neighbourhood of certain development project areas and large State undertakings, liquor shops have been opened. At Bhakra-Nangal, for instance, we were told that a liquor shop was located in Nangal after the project had commenced operation. There was no shop at the Nangal township prior to the project and the only shop in the vicinity was six miles away. The labour force in Nangal is today unfortunately trapped by this shop recently opened. The weekly cash wages earned by them are the attraction for locating this shop. The sales at this shop of late have increased and the labour force has demanded closure of the shop as a measure of protection. It is needless to say that a part of what is being given with one obliging hand in the shape of wages is being taken away by the other. At Chittaranjan; it was more or less the same story. The West Bengal Government had not allowed location of a shop near the Railway Locomotive Works, but the Government of Bihar put up a shop within two miles of the workshop. This is, perhaps, true of several other projects. We suggest that the Government of India should take the initiative in this matter and circularize all State Governments specifying important industrial and development

areas where they would like liquor and drugs shops to be closed forthwith. What is contemplated under (f) is the stricter enforcement of what may perhaps be the present practice in some places. We are keen that during the transitional period, drinking should cease to be conspicuous and be segregated to unfrequented quarters.

29. The steps that we have recommended need a more detailed consideration in order to work out the precise percentages of reduction in supplies and shops. We suggest that in every State where total prohibition has not gone into effect, a technical committee should be set up for the purpose of working out details in connection with these steps to suit local conditions. It would not be proper to lay down any rigid and detailed plan for all the States in the matter.

30. The role of public servants in the achievement of total prohibition is of vital importance. It may be mentioned here that one of the chief factors which led to the failure of prohibition laws in foreign countries was want of loyalty on the part of officers of Government towards enforcement measures. The non-compliance of the prohibition law by Government officials was an outstanding fact in the prohibition experiment of the U.S.A. The practice of total abstinence by officials will go a long way to inspire confidence among the common people. Prohibition laws cannot be worked by those who lack faith in the policy. It is confidently hoped that all public servants in India would give active support to the policy of prohibition. We therefore recommend that abstinence should be made a rule of conduct for Government servants and should be incorporated as such in the service rules with effect from 1st April 1956.

31. In regard to opium, we note that all State Governments have agreed to give effect to the policy of the Government of India which is bound under an International Convention to close down supplies of opium for oral consumption after the 31st March 1959. Opium is one of the worst debilitating agents in the list of drugs. It is encouraging to note that all States are taking vigorous action in conformity with the all-India policy. The number of registered addicts is going down and also the consumption of opium. There is a limit on sale and possession of opium fixed in the case of addicts. Most of the States have prohibited opium smoking. In Orissa, present figures

reveal 50 per cent. cut in the consumption of opium since 1948-49. In Assam in 1949, the number of registered addicts was about 13,000 and only 30 per cent. of them were on the rolls in 1953-54. These figures are striking compared to the 98,000 registered addicts in 1927-28 and 30,366 in 1938-39. In Bombay and Madras also the consumption figures show considerable reduction. In Madras 2,449 seers of opium was made available in 1952-53 as against 19,642 seers in 1945-46. In Bombay, 29 mds. 15 seers of opium were made available in 1952-53 as against 471 mds. 15 seers in 1946-47. In Hyderabad, opium consumption has declined from 4,531 seers in 1951-52 to 2,690 seers in 1954-55. Opium is marching to its doom slowly but surely.

32. As regards ganja, charas, bhang and other drugs which are injurious to health, we recommend that during the interim period, there should be a progressive reduction in the number of shops and the quantities issued for consumption. Some States like Madras have already totally prohibited these drugs. Where they have done so, no further action is obviously called for. It was represented to us by Chief Ministers in some States that it was relatively easier to prohibit forthwith the injurious drugs without any untoward consequences.

**Hemp drugs**

33. It is necessary to examine the question of prohibition in its relation to the Defence Services, tribal people and foreign embassies. It was gratifying to know from the representatives of the Armed Forces who appeared before the Committee that "they would willingly fall in line with the rest of the country when a programme of nation-wide prohibition comes into force". We were informed that among the officers 60 per cent were abstainers and in the rank and file 40 per cent; of those who were known to take liquor, the large majority were casual drinkers. We were told that in respect of officers, the rules were strict and besides there was a check on mess bills. No member of the Armed Forces can buy liquor rations outside the Army mess or store, and this in itself ensures sufficient control. We were informed that punishments for drunkenness were more severe in the Armed Forces than those prescribed under the general law. Public opinion has expressed itself in favour of the Defence Services being brought within the scope of prohibition Acts in the States. We have no doubt that the Defence Services will welcome complete prohibition and give it their valued support.

**Defence Services**

34. The question of tribal people and areas was also carefully considered and we have come to the conclusion that

**Tribal areas**

tribal areas should not be excluded from the operation of Prohibition Acts in the States. In Andhra, tribal areas in Vizag and Godavari districts have been excluded from the operation of the Prohibition Act though Government shops for liquor are not functioning there. Orissa, Assam, Madhya Pradesh and Andhra have large tribal areas and population. The evidence placed before us by several experienced persons including the Secretary, Tribal Welfare, Orissa Government, and a Member of the Board of Revenue, Madhya Pradesh Government who held charge of tribal areas for over six years, indicated that liquor is not essential to an aboriginal except for certain religious purposes and on festive occasions. The tribal people generally do not indulge in liquor but when needed they brew their own drink which is said to be not very intoxicating. We were told that in some remote areas tribal people get little or no food at all for part of the year and during such periods they frequently resort to liquor.

35. The practices among scheduled tribes vary. Some of them live in the plains alongside of the general population, others live in old inaccessible abodes and are not easily influenced by social and other changes in the rest of the country. They live mostly on poor and shifting cultivation except the few who have migrated as labourers to the plains. Their habits and customs permit of the practice of taking liquor on occasions. There is however one genuine complaint brought to our notice in the States of Orissa and Madhya Pradesh that whenever exciseable liquor was taken to tribal areas, the scheduled tribes became accustomed to it in preference to the home-brewed liquor. Taking this and other factors into account, it would not be expedient to exclude tribal areas from the operation of the Prohibition Acts. The tribal people may be informed that prohibition is the national policy of Government and is equally good for them as for others and that they too should help in its enforcement. We, however, recommend that enforcement of prohibition with reference to predominantly tribal areas should be mainly through the educative process. Every effort should be made to enlist the assistance of tribal chiefs and tribal panchayats in favour of prohibition. Such propaganda carried on under their own auspices is bound to leave its impress on these unsophisticated people and perhaps bring about a large measure of voluntary prohibition among them. We think that such areas at present are not fit for

the use of coercive processes and therefore normal police enforcement may be kept out. We do not contemplate any penal action being resorted to in these areas except for preventing illegal trade in illicit liquor in and from such areas. If non-tribals indulge in illicit traffic and send liquor into the tribal areas or the tribals themselves connive at this traffic, preventive police action should be taken in order that prohibition may not be endangered. We are of opinion that while the general policy outlined above should become immediately applicable to all tribal areas, there is need for further study of the problem in the scheduled areas of NEFA, Manipur and Tripura.

There are belts surrounding predominantly tribal areas where there is mixed population consisting of both tribals and others. In such areas, the enforcement rules should be applicable as in other areas under prohibition.

36. We hope that foreign embassies in this country will respect national sentiment in the matter of prohibition.

**Foreign embassies** When prohibition becomes national policy we trust that they will of their own volition not serve liquors at public receptions where Indian citizens are invited.

37. The question as to what steps should be taken in the territories directly administered by the Centre like Pondicherry has also been considered. The Government of Madras and Shri Rajagopalachari drew pointed attention to the urgency of taking steps towards complete prohibition in the Pondicherry area. A dry State like Madras may find it irksome to tolerate a wet pocket wedged so close. We recommend that the phased programme outlined for the States should also apply to these and similar areas.

38. Under the scheme of prohibition envisaged by us, there will be no permits issued on health grounds. We consider that health permits now issued in Madras, Bombay and other prohibition States are a misnomer. In Bombay State, the total number of permits issued for foreign liquor is 20,309 including about 12,000 in the city of Bombay. Though the consumption of foreign liquor has been stepped down to 5.4 per cent. of the quantity in 1946-47, the number of permits issued is surprisingly large. It is true that permit holders can get only a limited quantity of liquor but it looks somewhat inconsistent that with such a large number of permits, the schemes in the State of Bombay and

Madras should be described as complete prohibition. We recommend that the system of issuing permits should generally cease after the 1st April 1958. In the meantime, steps should be taken to reduce the number of permit-holders and quantity issued to them. However, provision may be made for the following:—

- (a) tourists and visitors from abroad and foreigners resident in this country for business or otherwise may be allowed to have liquor privately in their homes on the basis of special permits. They should on no account be allowed to indulge in drinking in public after the target date;
- (b) for sacramental purposes, liquor may be allowed on permits to Christian, Jewish and Parsee places of worship;\*
- (c) small quantities of liquor may be permitted for medical treatment of cases under proper safeguards.

39. According to modern medical opinion, there would be little need for the use of alcohol beverages in the treatment of diseases. The Surgeon-General of Madras is quoted by the Madras Prohibition Enquiry Committee (1948) as saying: "Alcohol beverages are not quite essential for treatment. The medical view of late is that alcohol is unnecessary and often harmful in the routine treatment of diseases". Another Surgeon-General appearing before us confirmed this opinion and said that the tendency was to replace alcoholic drugs by non-alcoholic ones in the treatment of cases. There may still, however, occur a few cases which fall under category (c). These should be certified and permitted by duly constituted Boards at State and district levels. We recommend that at the State level, two of the seniormost officials of the 'medical service' and the Administrator of Prohibition, hereinafter mentioned, should form the Board. The Board at district level will be constituted by the State Board and consist of the Civil Surgeon, a medical practitioner and a prominent citizen of the locality who is a staunch prohibitionist. During the period prior to the target date and even later there may be cases of chronic alcoholism which have to be treated as hospital cases. We suggest that provision should be made for them in State institutions.

40. Industrial alcohol will be obtained through normal channels of Government for industrial purposes. There are at present 55 distilleries and breweries in India including those manufacturing industrial

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\*In the prohibition States including Bombay, Madras, Andhra and Saurashtra liquor is allowed for sacramental purposes.

alcohol. In 1951, the production of rectified spirit and denatured spirit was three million bulk gallons and of power alcohol 3.2 million bulk gallons. We learn that in the prohibition States, there is a tendency on the part of addicts to consume denatured spirits after these were rendered potable, as a substitute for liquor. The abuse of industrial alcohol was one of the contributory causes for the repeal of prohibition in the U.S.A. We therefore recommend that satisfactory formulae may be devised to render industrial alcohol non-potable with a view to prevent its diversion, dilution and adulteration for drinking. To this end, rules should be framed in respect of manufacture, storage, transport and disposal of industrial alcohol to ensure strict control.



## Chapter IV

### ENFORCEMENT

We attach great importance to the manner and method of enforcement of prohibition laws. While the enactment of law in respect of prohibition provides the starting point, continuous effective enforcement alone can ensure its success. This is not to convey the impression that the power of legislation should be minimised, for law has a definite function to perform in prohibition. We have not the least doubt that partial or inadequate enforcement makes the problem more complicated and achievement of results more difficult. Pointed attention to this aspect has been drawn in the reports of the Prohibition Enquiry Committees set up by various State Governments. While law is important, administration is of the essence. Prohibition requires for its success positive and active support from executive officers. It needs on their part initiative, devotion to duty and strength of character. In equal measure, prohibition demands public co-operation.

2. Laws made for this purpose should be such as would help easy implementation of the policy. An imperfect law defeats its own purpose and therefore care should be taken not to leave any loopholes in the legal framework that might facilitate evasion. Equally true is it that no law especially in a matter affecting so fundamental a change in the habits of people, would be effective unless backed by the resolute will of the public. A Supreme Court judge in the U.S.A., discussing the legal aspects of the alcohol question opined, "We need to realise that law can be a help in a solution. You may sometimes have to take legal measures to assist in a solution, but actually you are engaged in an educational programme and unless you have a people ready for the enforcement of that legislation, enactment of the law accomplishes nothing". A strong public opinion may remain behind that law; yet unless it is deeply enough consolidated organisationally it cannot be of much assistance to enforcement. We realise that unless the law is backed by active support from the people, enforcement will tend to weaken. It is of the utmost importance that the public conscience should be roused to combat the growing evil of

drink and drugs. Idealism of the moment and fluctuating enthusiasm in support of prohibition are not enough to ground people in the abstinent way of life. While the law may axe the trunk of State monopoly in drink and drugs, energised public opinion will dry up the tree at its roots and prevent malpractices springing up as coppice growth. The greater the will to prohibition is felt, the better the enforcement of the law.

3. Police action by itself cannot get people to obey laws. Obedience to law in such matters like prohibition must be vountary and individual action must proceed of itself in deference to pronounced public opinion. In other words, to effectively combat the evil, we must remove from the minds of individuals the desire for and the habit of using alcoholic beverages. The administration will then be able vigorously to concentrate attention on the work of protecting the public against the action of habitual law-breakers who may not recognise their moral obligations to themselves or to society. Succinctly put " the position would be that conscience and public opinion enforce the law, the police suppresses the exceptions".

4. Therefore, enforcement should proceed on two definite lines:

**Two wings of  
enforcement**

(a) educative and preventive; and (b) legal and administrative. The two arms of enforcement should be properly co-ordinated. While the

two work towards the same end with determination, public opinion will continue to be active enabling the law to assert itself. Prohibition is co-operative endeavour between officials administering the law and leaders of public opinion producing the necessary climate for enforcement. We have to deal with essentially a social and human problem, and viewed in this context, the emphasis in enforcement should be shifted from mere detection and punishment to prevention and education. It should not, however, be taken to mean that detection and punishment do not play an important part in enforcement. We wish to stress that more prominence should be given to the educative and preventive aspects of enforcement than has hitherto been the practice. In the dry States today, the prohibition programme is almost wholly the concern of the police and the administrative authorities; the general public plays little part except as acquiescing spectators. The routine propaganda being done, mostly through the official agency hangs loose in the present set-up. It has little or no effect on the execution of the programmes which rests primarily on force and coercive processes. There is need to enter on a revision of the existing position. We

are led to the conclusion that the organisations set up for educative propaganda in the prohibition States have failed to achieve their primary object of creating and maintaining public opinion to the extent needed. If there is any one factor that makes prohibition policy effective, it is the educative aspect of enforcement. Marching side by side with law and administration, education awakens the social conscience, ensuring to a degree the prevention of crime. It will emphasise the positive aspects of prohibition and demonstrate time and again to the people the solid achievement that lies behind the programme. If, however, there is no educational effort backing enforcement, the attitude of the people after the first flush of enthusiasm is likely to degenerate into one of comparative indifference and produce a dangerous *laissez-faire* atmosphere which is conducive to the growth of malpractices.

5. In order to achieve healthy co-ordination between the two wings of the enforcement machinery, we recommend that an Administrator of Prohibition should be appointed in every State from the 1st April 1956. The Administrator should, in our opinion, be a non-official of the highest standing who can devote himself exclusively to the implementation of the prohibition programme. He should work directly under the Minister for Prohibition and have control over both the enforcement wings. We are confident that in every State it would be possible to find a person with the necessary breadth of vision who would be willing to undertake this responsibility. In recommending the appointment of the Administrator and the formation of an educative wing, we do not contemplate a new hierarchy of salaried officials. We wish to make it clear that the Administrator will have no powers to interfere with the normal administration of the Police Department. He will, however, possess jurisdiction in respect of enforcement matters, particularly for the purpose of co-ordinating official and non-official activities in this sphere.

6. We recommend that to assist the Administrator, there should be a Prohibition Board at the State level consisting of representatives of both the wings of the enforcement machinery as well as some representatives of public opinion. The Minister in charge of prohibition will be the president of the Board and the Administrator its chairman. The Board will meet regularly and frequently to consider the details of policy and to review the progress of the programmes from time to time.

7. It would be necessary also to establish prohibition committees in each district and even upto the village or mohalla level. District committees should consist of officials and non-officials drawn from both the enforcement wings. The chairman of this committee will be the District Magistrate and the convener a full-time prohibition worker of the district. At least half the number of members of district committees should be drawn from the ranks of social and constructive workers who devote their energies to prohibition activity. Some representatives of local bodies (including panchayats) who are interested in prohibition should also be members of such committees. We are aware that in the prohibition States there are similar committees functioning at district and village levels. However, these committees have not functioned effectively as they should; this is probably due to the lack of proper personnel. The committees that we envisage will be set up on the advice of the State Board from time to time, taking into account the readiness of local organisations to function effectively. It is better to have a few committees functioning properly rather than many with poor records.

8. It is our considered view that many influential non-official agencies engaged in social and constructive work in the country will gladly bear a major share of responsibility in making prohibition a success if a proper approach is made to enable them to render co-operation. We trust that State Governments will fully appreciate the importance of seeking their assistance. Non-official agencies can be of considerable help in reversing the present passive attitude that prevails towards prohibition. Most of these agencies have declared in unmistakeable terms their willingness to take active part in ensuring the success of the programmes of prohibition if they are invited to play their proper role. It is no use complaining that there is evident lack of enthusiasm amongst the public. If that were so, the remedy for it would be to secure the services of those who possess the confidence of the public. We hope that all organisations engaged in constructive work in the country will take concerted measures to make participation in prohibition work an integral part of their activities. The prohibition programme is imperilled today due to public apathy and it is at this point that these organisations should step in to give a definite lead to public opinion and put in sustained effort to ensure mass co-operation in prohibition. The

strength of their effort will be the measure of the nation's success in regard to prohibition.

9. It will be the duty of the Administrator of Prohibition to integrate and co-ordinate the activities of the **Co-ordination of the work of official and non-official agencies** like the Sarva Sewa Sangh, the Kasturba Trust, the Bharat Sewak Samaj, the Gandhi Samarak Nidhi, the All-India Women's Conference, labour organisations, etc., as well as the official agencies like Social Education Departments Social Welfare Boards, Community Projects and National Extension Services so as to organise an effective wing—preventive and educational. We hope that the co-ordination of the activities of existing organisations both official and non-official will generate fairly strong sanctions behind the prohibition programme. The number of Government officials engaged in social and community work is fairly large and is expected to expand in the future. As the Community Project organisation grows in volume and strength, the message of prohibition should be carried without let or hindrance into the remotest and comparatively inaccessible areas in the country. The Administrator will be in a position to make use of both official and non-official organisations to strengthen prohibition. New (non-official) units may have to be set up in many areas. We suggest that instead of setting up separate units for each type of social programme, it would be better to press into service so far as is possible every organisation—Governmental or otherwise, to work for a co-ordinated purpose. It will save much trouble and expense if full utilisation could be made of the existing units. The long experience of social service behind institutions like the Sarva Sewa Sangh and various ashrams in the country, acquired after years of travail and sacrifice should be availed of in a full measure for enforcement of the prohibition programme.

10. It is an inspiring thought to recall that throughout the freedom struggle, women took a leading part in the **Role of women** prohibition programme. They participated in picketing liquor shops side by side with men and went through the ordeal cheerfully. Women all over the country have pledged their support to the policy and programme of prohibition since they realise the supreme importance of peace and happiness in the home. The steady but silent education that is proceeding from day to day through the agency of women is an invaluable asset—full use of which has not yet been made. It is a known

fact that women, during the elections generally supported candidates who put prohibition in the forefront of their programmes. All the women's organisations invited to tender evidence unanimously expressed themselves in favour of a nation-wide policy of prohibition. It is noteworthy that some ladies who tendered evidence before us have, in the presence of their husbands, urged that permits for drink should be done away forthwith. The All-India Women's Conference, in a resolution dated 2nd May 1953, while viewing with grave concern the relaxation in the prohibition policy in some States re-affirmed its faith in total prohibition. It expressed the view that excise can never replace prohibition and considerations of State revenue should not enter in implementing the prohibition policy. The Conference appealed to the State Governments to introduce, extend and rigorously enforce prohibition in keeping with the Directive Principles of State Policy and thus save the masses from the evils of drink and all its attendant consequences. Women can play a unique part in organising counter-attraction centres for addicts and with their co-operation, reclamation of individual addicts in homes and families should be easier. We therefore make a special appeal to all women's organisations to co-operate fully in the enforcement of the prohibition programme.

11. We have noticed the readiness of trade union organisations to take active interest in the rehabilitation of industrial workers when prohibition becomes a national policy. It is estimated that nearly half of the drink bill of the country is extracted from this class of workers. Shri Khandubhai K. Desai, Minister for Labour in the Union Government, estimated that out of the total annual wages bill of Rs. 500 crores of industrial workers in the country, the drink bill accounts for Rs. 60 crores or about one-eighth. It should be the concern of organisations functioning for the uplift of industrial workers to take special interest in the prohibition programme and prevent this colossal waste. If this money were saved, it will give the workers year after year enough money to build two lakhs of houses, assuming that on the average a modest structure for a working class family costs Rs. 3,000. The amount again will be adequate for the education of two million children. Industrialized countries are among the largest consumers of alcohol and industrial workers have suffered heavily from this evil. In a book entitled "Prohibition: Why How, Then, Now" dealing with conditions in the U.S.A., pointed attention is drawn to the fact that "alcohol

**Role of trade unions**

ravaged the wage earning class—that class which absorbs nearly four-fifth of the alcohol consumed and that stratum of society is responsible for much tuberculosis, criminality, insanity and mortality”. Even during the limited experiment of prohibition in the U.S.A., the largest share of the benefits under the scheme accrued to the working classes. In India, in view of the emphasis on industrial development in the second Five Year Plan, the safeguarding of industrial workers against drink is of the first importance. We have no doubt that trade unions will regard enforcement of prohibition as part of their responsibility.

12. We now turn to consider legal and administrative aspects.

**Legal and administrative aspects**      The very first step in prohibition is legislation and we recommend that there should be a Prohibition Act in every State. In Orissa, which is a partial prohibition State, there is a Prohibition Act on the statute book but it is not being enforced for some technical reasons. The old Excise Act is being used for the purpose of administering prohibition. Though courts of law have ruled that Excise Acts can be pressed into service for bringing prohibition into existence, we are inclined to think that it is better to have separate legislation for this purpose rather than seek shelter under the Excise Acts which are mainly in the nature of fiscal legislation. We notice that Prohibition Acts are in force in eight States. Of these only the Assam Liquor Prohibition Act, 1953 was passed after the Constitution came into force. We recommend that in the States where no such Act is in force, steps should be taken as early as possible to frame the necessary legislation. The Prohibition Acts of Bombay and Madras, which are already in force, may serve as models. These Acts comprehensively deal with the prohibition of manufacture, import, export, transport, possession sale, purchase, consumption and use of intoxicants. They have been repeatedly challenged in courts of law and have been suitably amended wherever they were found by the courts of law to be defective. Further amendments to these Acts may have to be introduced in the light of our recommendations. We have already pointed out that a defective law may be difficult to enforce. For instance, the primary weakness in the Eighteenth Amendment in the U.S.A. was that it did not forbid the purchase, the possession or the use of alcoholic beverages. “According to that Law, when a man purchased liquor, his act was legal and he retained his social position, while the bootlegger who sold it to him had

committed a crime for which he could be sent to the penitentiary. To large number of people this simply did not make sense. This legal exemption of the purchaser from penalty was a travesty of justice and an insult to commonsense. If a man possessed liquor he could retain it and he and his family could drink it and serve it to their guests. If he was without a supply he had a year in which to "stock up". Consequently large numbers of people filled their cellars and warehouses with liquor".\* A law that does not cover the many ramifications of the liquor traffic may prove itself to be the initial obstacle. We therefore suggest that the law covering prohibition should be as comprehensive as possible.

13. Once the law is framed and given effect to, it would specify the offences that would occur under prohibition.

**Police**

The question then arises as to who should deal with these offences. We are of the opinion that prohibition offences should be treated on a par with other offences and therefore the police who are normally in charge of offences against the law should be made responsible for legal enforcement of prohibition as well. All powers in connection with investigation, prevention, detection, prosecution, etc., will vest with the Police Department. To treat prohibition offences as a class distinct by itself would be inexpedient. An American observer commenting on this aspect says: "We commit a serious error if we proceed to discriminate between laws and place the prohibition law in a category by itself". The Governments of Madras, Bombay, Andhra and Saurashtra have already placed the Police Department in full charge of prohibition and we trust that other States will follow the same course.

The reasons for entrusting the task to the police are obvious. The police are more widely spread in the country than other departmental staff; officers at the police stations can remain in constant touch with the people. They have not only more staff, but also better transport facilities. They also command more powers and law-breakers are generally afraid of them. Further, as pointed out by a high Madras official, "they are better trained in the use of fire-arms and tackling unruly elements which have of late been noticed to have been deflected towards the enforcement of prohibition, as the

\* The Enactment and Repeal of the Eighteenth Amendment—Lecture by F. O. Rittenhouse, Ph. D. Inst. of Scientific Studies, California.

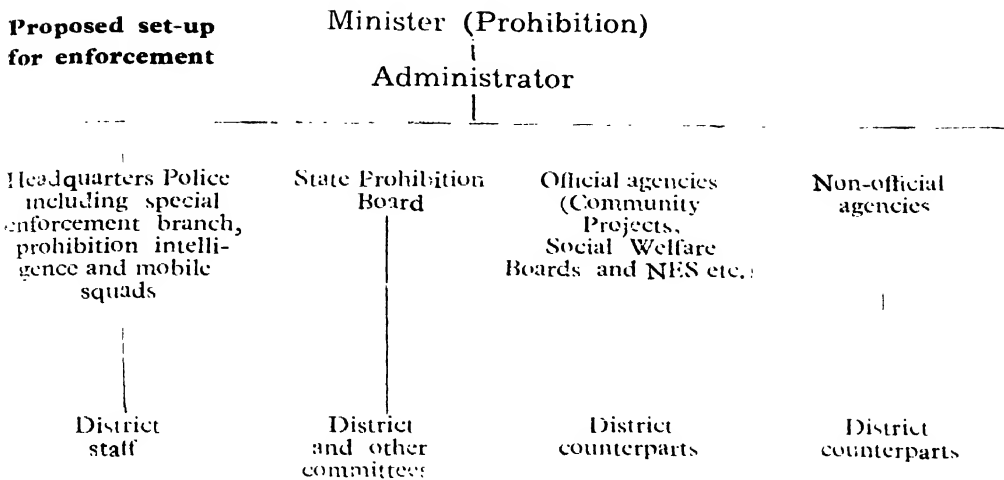


illicit distillers are becoming more and more aggressive". Discipline in the force ensures that once the quality of work is stepped up, there will be a guarantee against the falling of standards. There is no doubt that prohibition will be an onerous addition to the duties of the police, but we have been assured by the Inspectors General of Police whom we met that the Police Departments are ready to take up the responsibilities of this very difficult task with determination.

14. We recommend that within the Police Department, there should be a special enforcement branch consisting of trained personnel for prohibition work. **Enforcement and intelligence branches** This would involve a certain amount of training in details connected with prohibition crime. We believe that the staff to man this branch will be put through the necessary training by the various State Governments. The First Member of the Board of Revenue, Madras, brought to our notice that police officers are quickly picking up this kind of special knowledge that has become necessary for the staff dealing with prohibition. We consider it necessary to have a well-organised prohibition intelligence branch in each State. Intelligence is the key to most problems of enforcement. It will be the duty of this branch to chart out dark as well as bright spots in the State. It will be in close touch with all who can give valuable information including village officials and non-official organisations interested in prohibition and gather, sift and digest all such information. The prohibition States have already the nucleus of such a staff and we expect they will expand it to suit the full requirements of effective enforcement.

15. We recommend that mobile squads of police be organised for the special purpose of attacking sources of **Mobile squads** illicit supplies of liquor and drugs. These squads will concentrate their attention mainly on the areas spotted by the intelligence staff for frequent visits and raids. The Commissioner of Police, Madras, has stressed the usefulness of these special squads which in the city of Madras have been able to reduce substantially the illicit distillation of country liquor. The Inspector General of Police, Mysore, who had previously served in a similar capacity in Madras in a note refers to the use of 'flying squads' with good results in tackling illicit distillation in the areas spotted by the Prohibition Intelligence Bureau.

16. The set-up for enforcement would be as shown under:—



It seems necessary to explain the duties of the Administrator in non-prohibition States and wet areas of partial prohibition States before the target date. His main function would be to build up the organisation for bringing prohibition into effect and setting up of educative machinery. He will devote attention to the task of selecting suitable non-officials at all levels for the proposed set-up. It will be also necessary for him to assure himself that the steps to be taken before the target date are implemented.

17. Having examined the Prohibition Acts already in force and the difficulties experienced in working of these Acts by the State Governments concerned, we recommend that the following changes in law and procedure may be made:--

- (1) All offences connected with illicit distillation, import and export of liquor and drugs, bottling of liquor for sale, rendering denatured spirit potable and cultivation of hemp plant, should be made non-bailable.
- (2) Punishments in connection with non-bailable offences should be made deterrent. The law should prescribe a minimum punishment in such cases. For example, the minimum punishment for the first offence may be imprisonment for six months and a heavy fine and for second offence, a minimum of one year and a heavier fine.

- (3) There should be summary trials for prohibition offences other than non-bailable offences mentioned above. A time limit of two months for each case may be set for ensuring expeditious disposal. The intention is to simplify procedure without in any manner taking away the right of a citizen to defend himself properly before a court of law.
- (4) State Governments should devise ways and means of protecting witnesses who furnish important information relating to non-bailable offences
- (5) Where a person continues to defy the law and is engaged in illicit manufacture or illicit traffic in respect of drinks and drugs, the possibility of the use of security sections of the Criminal Procedure Code may be examined with a view to preventing such offences.

(1) and (2) seek to make certain classes of offences non-bailable and step up the punishment in connection with such offences. These suggestions have the approval of most State Governments. The problem in prohibition is not so much the person who consumes drink, as the person or persons who make the drink available. Therefore it becomes imperative to deal with the offences indulged in by the latter class and classify them as non-bailable offences which should be met with deterrent punishment. A minimum punishment should be prescribed in such cases in accordance with the gravity of the offence. Many States have complained that punishments prescribed under the existing prohibition laws for grave offences are wholly inadequate to meet the ends of justice. We agree that punishments should be commensurate with the seriousness of the offence.

18. The leniency shown by magistrates in dealing even with major offences against the prohibition law has been the subject of some comment by the States. Sometimes offenders are let off with petty fines. Instances have been brought to our notice where even in the case of major offences, nominal punishments were awarded. We wish to offer no comment that may reflect on the attitude of magistrates. Impartial observers of prohibition experiments in other countries have pointed out that the attitude of courts does influence the success of prohibition experiments to a degree. Commenting on this aspect of the question, Prof. Wuorinen says, "The general attitude of the courts has been lax to the point of nullification and the judges have occasionally

given comfort to those who break the law either as a business or for pleasure. Because of their failure to adhere to the highest standards of their profession, they have in fact become privy to a concerted attack upon the law. Yet the prohibition law must be respected and enforced no less than other laws for all laws are clothed with equal authority and sanctity".\* When prohibition becomes a nation-wide policy and prohibition offences come to be looked upon by the public as involving moral turpitude, the attitude of magistrates is bound to record a change even assuming the correctness of the position that at present they are inclined to view prohibition offences differently from other offences. We expect that the prescription of a minimum punishment by law for major offences will be helpful in the better enforcement of prohibition policy.

Under (3) summary trials are recommended for other offences which may be classified as minor. The one universal complaint in all States is that the disposal of prohibition cases takes inordinate time, making for accumulation month after month. It is desirable in the circumstances to prescribe a time-limit for the disposal of prohibition cases, so that offenders may not go unpunished for a long time. We think that expeditious disposal of cases will lessen the volume of work and enable departmental officials to concentrate their attention on the more important aspects of enforcement. It has been suggested that additional magistrates be appointed to dispose of present accumulations. This question needs closer examination by the State Governments concerned.

In regard to (4) immediate action by State Governments seems necessary. Lack of protection to witnesses has been a genuine grievance and we consider it absolutely necessary to protect honest law-abiding citizens who come forward at some risk to themselves to furnish information relating to the more serious categories of offences.

In regard to (5) an amendment to Section 110 of the Criminal Procedure Code may be considered. It has been suggested that the Section may have a new clause inserted mentioning specifically the class of illicit distillers and manufacturers and those running illicit traffic in respect of drinks and drugs. The Section, it may be pointed out, deals with various classes of persons indulging in

\*John, H. Wuorinen : The Prohibition Experiment in Finland (Columbia University Press) 1931, pp. 175-176.

anti-social activities. We agree that illicit manufacturers and distillers and those engaged in illicit traffic in drinks and drugs should be treated on the same footing with other classes of offenders dealt with in the Section. The proposed amendment will, to some extent, prevent commission of offences on a large scale. It is now known that there is a class of persons beginning to emerge in the bigger cities and suburban areas who seek continuously to defy the law of prohibition.

19. The major problem in respect of enforcement is illicit distillation and its inevitable concomitant illicit traffic. The Prohibition Enquiry Committees appointed in the various States have pointed to the increasing number of crimes under these heads.

**Tackling illicit distillation** While we make no attempt to minimize the gravity of the evil, we feel that there is considerable exaggeration in regard to the extent of illicit distillation. We proceed therefore to deal with this aspect of the problem in some detail.

Illicit distillation is no new phenomenon and did not originate with prohibition. It was in existence even under the old excise system. The conditions under which it appeared then were perhaps different from those which influence similar conduct in the context of prohibition. It may be argued that prohibition has stimulated the demand for illicit distillation, nevertheless it is a fact that a considerable number of cases used to occur even during pre-prohibition days. Since it was difficult to distinguish illicit from licit liquor under wet conditions, illicit distillation may have remained in some places comparatively unnoticed unless it rose to proportions as led to loss of excise revenue. Under the excise administration, one of the primary motives for detection of illicit distillation was avoidance of loss of revenue to the State; other motives were not prominently operative. The excise staff which dealt with this problem had fewer contacts with people and acted mostly under information from licensed contractors or their agents who found competing interests in the illegal trade. It is noteworthy that the deleterious effects of illicit drink on public health is not stressed in the wet areas. It is only in the prohibition States that we hear of "concoctions taking the place of good liquor". Under the excise system the area of detection was relatively small and the staff employed for the purpose was barely sufficient to cover all the area; the interest of the excise staff was, in the main, to prevent fall in State revenue. On the other hand, under conditions of prohibition, all liquor wherever appearing becomes illicit.

The area of detection becomes wider and the motive for detection totally different. It may be admitted that under conditions of prohibition, the demand from hardened addicts offers encouragement to law breakers. However an increase in the number of cases may reflect to some extent more vigilance on the part of prohibition staff; the more energetic the enforcement the larger the number of cases detected. The staff for the purpose of prohibition concentrates on the enforcement of law and is not concerned with financial and other problems. As the whole operation of illicit distillation is carried on in great secrecy, the problem of determining the extent of this clandestine traffic is a baffling one. As an observer puts it, "this hidden traffic leaves the field open to guesses, conjectures and fantastic surmises while the most careful research runs up blind alleys and into a maze of little less than speculation".\*

20. It is perhaps necessary to present a realistic picture of the conditions under which the illicit traffic appears. The location of illicit distilleries is generally in unfamiliar places, odd corners, forests, marshes, river banks, mountain slopes and islands. These are usually cheaply constructed so that if discovered and destroyed, the loss to the operator may not be heavy. No still operates for any length of time at one place. The life of a still is a matter of opinion, but it is assumed at one month on an average. To set up fairly sizeable and expensive plants as was done in U.S.A., is a rare possibility in this country. Illicit distillation has to be done under conditions of perpetual insecurity. The persons indulging in this illegal trade know that they are running a heavy risk and so try to do their job by fits and starts. There is reason to believe that the operation has often to shift from one awkward corner to another. Frequently influential men remain behind hirelings on whom the blame may rest if caught in the act. Even when the operation is completed, the disposal of liquor is not easy. People addicted to drink and with cash have to be found and decoyed into secret places. For transporting their liquor the distillers have to resort to shifts such as employing women and even innocent children to carry it in baskets and tubes etc. Enquiries have revealed that the price to be paid for such liquor is high; the costs are loaded with risk charges. That explains why the neighbourhood of industrial towns offers a good field for illicit distillation. This does not, however, mean that illicit distillation is not carried on in rural areas.

\*Annals of the American Academy of Political and Social Sciences, September 1932, P. 40.

There may be equally heavy demand for illicit liquor during certain seasons when the rural population have access to cash resources.

21. Illicit distillation and illegal traffic therefore have to be tackled energetically in the light of the conditions mentioned above. It is in respect of country spirits that illicit practices are most prevalent. While admitting that in some areas it may be 'rampant'—to use the phrase of some of the critics of prohibition—it will generally be seen that it is a shifting operation carried on under the most insecure conditions attended with grave risks. As vigilance increases, the number of reported cases shows a rise. Looking at the crime figures in the prohibition States generally and the proportion of major offences such as illicit distillation to the total number of offences, it cannot be gainsaid that there has been a striking increase in the number of detected cases. The statements on the next page compiled from the data supplied by the Bombay and Madras Governments, of offences both major and minor will serve to illustrate the position.

It is clear that prohibition crime has been mounting up for some years. Examination of the figures for Greater Bombay reveals that crime is heavily concentrated in the industrial areas and suburbs. The fall noticed in the year 1954 in Madras State need not be taken to indicate any sustained decline in the incidence of prohibition crime. The present state of affairs leaves no room for complacency. We must however look to the root causes. As regards minor offences, it may be noticed that there are new types of offences created under the prohibition law such as mere possession of liquor and drugs and consumption of liquor etc. Drunkenness under the Penal Code and under prohibition law are wide apart. The more important cause is that deep rooted habits of addicts take time to disappear. The major offences are attributable mainly to five factors: (a) presence of hardened addicts; (b) presence of a small number of professional law-breakers; (c) prevalence of poverty and unemployment which lure some persons to take to illicit practices; (d) easy availability of raw materials for the purpose; and (e) existence of wet pockets in the neighbourhood. An outstanding fact, however, is that the proportion of major offences to the total number is not such as might cause alarm.

22. Illicit distillation has recorded a rise practically all over the country, in both wet and dry areas and this may partly be ascribed to unemployed people trying to make easy and assured money

# Prohibition offences in Bombay and Madras

Year	Major offences*			Minor offences†			Total number of offences			
	Greater Bombay	Districts	Total	Greater Bombay	Districts	Total	Greater Bombay	Districts	Total	
1	2	3	4	5	6	7	8	9	10	
1949-50	.	6,839	4,175	11,014	BOMBAY			15,186	17,939	33,125
1950-51	.	9,826	4,206	14,032	8,347	13,764	22,111	21,593	21,109	42,702
1951-52	.	14,638	5,198	19,836	11,767	16,903	28,670	32,095	28,870	60,965
1952-53	.	18,090	7,854	25,944	17,457	23,672	41,129	40,170	49,011	89,181
1953-54	.	18,180	8,489	26,669	22,080	41,157	63,237	42,012	60,614	1,02,626
					MADRAS					
					Major offences*			Minor offences†		
1949-50	.	.	.	.	7,229	22,743	29,972	41,496	50,609	79,663
1950-51	.	.	.	.	6,754	34,742	41,496	50,609	79,663	1,02,626
1951-52	.	.	.	.	10,582	50,117	60,699	79,663	1,02,626	1,02,626
1952-53	.	.	.	.	14,611	65,052	79,663	1,02,626	1,02,626	1,02,626
1953-54	.	.	.	.	6,655	34,837	41,492	50,609	79,663	1,02,626

\*Major offences relate to illicit distillation and illegal traffic.

†Minor offences relate to illicit possession, unclaimed sales, drunkenness etc



from this source. It is striking that in non-prohibition States and in wet areas of partial prohibition States, generally illicit distillation has shown a marked increase. For instance, Hyderabad State which is not under prohibition, records the following number of illicit distillation cases during the last four years:—

1951	2,348
1952	3,844
1953	1,610
1954	4,864

The Madhya Pradesh Prohibition Enquiry Committee found that there was more illicit distillation carried on in the wet than in dry areas. The following figures of illicit distillation cases are illustrative:—

	Wet Areas (52 per cent.)	Dry Areas (48 per cent.)
1947	2,598	2,104
1948	2,830	2,502
1949	3,013	3,615
1950	3,194	1,030
1951	3,237	1,117
1952	3,130	1,598
1953	4,712	3,331
1954	4,971	3,136

It is thus clear that the problem of illicit distillation has to be tackled from the point of view of the general rise in this class of crime throughout the country and not only in dry areas.

23. While it is unnecessary to speculate as to the precise extent of illicit distillation, it will be necessary to devise methods to check effectively this major offence which will prove a serious menace to the success of prohibition. The notorious areas where illicit distillation is rife are comparatively easy to spot provided intelligence is efficiently organised. Apart from stepping up punishments for major offences, effective control over illicit distillation can be secured to a large extent by concentrated attacks on such areas. One method would be to employ mobile police squads for the continuous destruction of raw materials and apparatus used for this purpose, which may prevent crime in many places at the very source. The use of mobile squads has produced fairly good results in Madras and Mysore. Frequent raids, we believe, will put illicit distillation at a disadvantage since the distillers will be incurring repeated losses, however small or big these may

be, by constant destruction of materials and implements used. In this connection, we would like to stress that adequate transport and other facilities should be provided to police squads.

24. It has been suggested that another method of tackling the problem would be to institute effective control over the base materials used in illicit distillation. It may be pursued for whatever it is worth. One difficulty seems to be that the raw materials like mhowa and molasses, are easy to obtain during certain seasons and any attempt to control them may not be as feasible as it appears. However, wherever large quantities are sold or made available to persons who are liable to misuse them, control measures may curtail facilities at the very start. If the object is to strike at the roots of the trade, as many methods as possible should be tried in securing better enforcement.

**Prohibition of toddy effective** 25. In the case of toddy, prohibition States have assured us that enforcement is substantially effective. Here the opportunities for committing offences are few for obvious reasons. The owners of trees are generally not drinkers themselves and moreover the trees have to be tapped in the open. This makes detection easy. Shri Gajanan Naik of the All-India Khadi and Village Industries Board, who pleaded vigorously for a total ban on toddy, was of the view that enforcement of prohibition in respect of toddy was perhaps the easiest to achieve and would yield substantial results.

**Need for constructive approach** 26. The importance of a constructive and positive approach towards illicit distillation and other forms of major crime should not be lost sight of in the midst of the suggestions made for use of coercive processes. Even in the face of repeated disappointments, such an approach has been found to produce healthy reactions in areas notorious for illicit distillation. One such case was brought to our notice by Principal Shyam Behari Viragi. He narrates how in the district of Rae Bareli (Uttar Pradesh) illicit distillation was stopped to a very large extent in many villages by providing persons who were engaged in this unlawful trade with suitable alternative employment which was found necessary as a result of patient inquiries instituted into their conditions. In some cases departmental assistance was given, such as making available facilities for breeding of livestock, land for cultivation and assistance to set up small-scale industries. Instead of concentrating on palliatives and punishments, workers in Rae Bareli tried remedies,

the results of which were more durable and succeeded in winning over those very persons who were responsible for discrediting prohibition in the area. Persistent application of such an approach will dry up illicit practices, even though it will take longer than the alternative method that involves detection and punishment.

27. We recognise that illicit distillation will remain the greatest menace to prohibition if it is not dealt with adequately. In some quarters it is believed to be rampant as a "widespread cottage industry". We admit that there has been of late an increase in illicit practices but their extent is often exaggerated. It is fallacious to argue that because of the threat of widespread illicit distillation, prohibition should be slowed down. Nobody would urge the abolition of the criminal laws because of the breaches of such laws. As long as there are law-breakers and hardened addicts of the present generation, illicit distillation may appear and even persist to a certain extent, but with a proper approach and concerted measures taken, it should be possible to reduce this evil to insignificant proportions.

28. It would be of interest to note in this connection that the experience in the U.S.A., revealed that illicit distillation did not show a marked decline with the withdrawal of prohibition. Mr. Pearson, writing on this aspect of the problem says:—

"If wet advocates in India think they will solve the problem of bootlegging and the sale of illicit liquor by repealing prohibition, they will have a sad awakening. We have discovered this fact in the United States. . . . . If you want to get rid of bootleggers and illicit liquor, repealing prohibition is not the way to do it."\*

In the words of another competent observer, the long history of the struggle of the liquor traffic is a reminder of the futility of the attempt to prevent 'abuse' of liquor while providing for the 'use' as a convenience for so-called non-abusers. The Report of the Massachusetts Committee emphasises the fact that the availability of liquor is the chief factor in producing drunkenness and its attendant evils. Prohibition promptly shuts off the supply and reduces availability to the minimum.†

\*Copy of a note by Mr. Robert H. Pearson was supplied by the Government of Bombay.

†Report of Massachusetts Committee on Alcoholism—analysed by Edward E. Blake, Editor "National Prohibitionist".

29. It has been suggested that in States which have yet made no start towards prohibition, country spirits may be rationed for a period, as part of a phased programme. This suggestion was contained in the replies of the Madras Government to the general questionnaire:—

**Rationing**

“A suggestion was made that arrack addicts should be registered, given ration-cards and allowed a strictly rationed supply of licit arrack. The idea was that the illicit distillers would be thereby deprived of their market and thus driven out of business; the further extension of the arrack-drinking habit can be prevented; and the consumption of arrack reduced from year to year through the registered addicts dying out. The process of eradication of the arrack-drinking habit will be slow, but reasonably sure. The suggestion was not accepted by the Government for the reasons that any such reversal of policy in respect of arrack might lead to pressure for further changes as a result of which the success already achieved in toddy prohibition might be lost. While this consideration is important in this State, the suggestion made above might be worth considering in those States which have not yet made a serious start with prohibition.”

Shri C. Subramaniam, Minister of Finance, Madras Government, endorsed this suggestion and said that it might be tried for a period in the States which have not yet introduced prohibition. The Madhya Pradesh Government started a similar experiment in Buldana district and in the Katni-Marwara tehsil of Jabalpur district with effect from 1st February 1953. Under this scheme restricted quantity of country spirit is issued to registered addicts on permits through shops run by vendors authorised by Government. The liquor ration is issued on particular days of the week during fixed hours. This experiment is being tried in a dry district, thus reversing in effect the policy of prohibition. The main argument urged in favour of this scheme is that the drinking habit would disappear with the passing away of addicts of the present generation. It is further argued that illicit distillers will have little or no trade since liquor will be supplied to every applicant on a ration card.

30. We have given considerable thought to this method which is described as “prohibition through permits”. We are of opinion that any scheme of rationing for the life-time of addicts, even if permits are renewed from year to year, would be against the very spirit of prohibition and at best might prove to be a temperance measure. In our opinion, this suggestion about rationing is based on a misconception. If permits are granted under a rationing scheme to all adult persons who desire to be registered on a specified date,

even casual drinkers (including women) will ask for permits and will have to be given a restricted quantity of liquor more or less on a permanent basis. Thus, even occasional drinkers in course of time will tend to become habituals. Further, the total number of applicants for registration may perhaps be so large that the social stigma attached to drink will tend to disappear and the next generation being witness to legalised drinking will not easily accept the ideal of prohibition. Such a system of rationing will amount to the perpetuation of the drink evil rather than a step towards prohibition. Moreover, persons who may not be eligible to obtain permits under the rules being under-age or on some other technical grounds, may still be able to obtain drink as the quantity available to some casual drinkers may be larger than actually required by them. The phenomenon of "ghost cards" is an inevitable concomitant of rationing. Another fundamental defect in the scheme is that the administration will be so engrossed with the details of working the scheme that they will not have enough time to spare to create the necessary atmosphere for prohibition and to check malpractices.

31. The advocates of this scheme have in mind the primary objective of checking illicit traffic. We may point out that so far as toddy is concerned, there is hardly any such problem. It will, however, not be fair to confine the scheme of rationing to any particular class of drinkers. *Prima facie* there can be no justification for not giving ration cards to those who are accustomed to other types of intoxicating drinks. We have already pointed out earlier that rationing in the case of toddy for checking illicit practices is not necessary, nor will it be administratively feasible for a number of reasons. The system of rationing, therefore, in the case of arrack or other drinks is both inequitable and illogical. It is clear that a rationing system on a more or less permanent basis is against the very basic policy of prohibition and cannot be entertained. At best, it can only be considered as a part of the phased programme.

Under the scheme envisaged by us, there will be in effect indirect rationing over a period through progressive reduction in the number of shops and in the supplies. We see no advantage in an elaborate administration, for the interim period, being set up for the purposes of registering drinkers and attending to their needs. We feel that the administration, instead of frittering its energies on working out details of a scheme of rationing during the intervening period, should concentrate on setting up proper machinery

for creating the necessary climate for the introduction of prohibition. We would like to point out one more anomaly and incongruity implicit in the scheme of rationing. Under this scheme, persons beyond a particular age limit and upto a certain specified date will be issued permits, more or less, for life-time renewable year after year. Those who happen to be below a particular age limit on a given date will not be allowed permits for the rest of their lives. This will give rise to awkward situations in which some members of a family would be allowed to drink for their life-time while others would be denied the use of liquor even after they had attained the prescribed age. The existence and continuous use of ration cards in a number of families on a permanent footing would knock out the very basis of a policy of prohibition.

**Enforcement and corruption** 32. It has been urged that corruption in the services will render enforcement inoperative. We may point out that this is a sweeping generalisation which exaggerates the extent of corruption for the sake of argument. Corruption in the services is a general problem embracing the whole administration and not confined to any particular branch. We have already stressed the need to reorient prohibition administration. Loyalty of officers has to be ensured from the very start. Several witnesses have emphasised the need for special attention to the recruitment of prohibition staff. We are of opinion that great care should be taken in the selection of personnel for the enforcement of prohibition.

**Control over spirituous, medicinal and toilet preparations** 33. A serious difficulty to be overcome in almost every State is the question of control and regulation of spirituous, medicinal and toilet preparations. The decision in the Balsara case by the Supreme Court which held that the restrictions imposed by the Bombay Prohibition Act 1949, on medicinal and toilet preparations containing alcohol were unreasonable as they offended against the fundamental rights under Article 19 of the Constitution, introduced complications. Consequently the manufacturers of tinctures, essences, etc. had a free run with the result that consumption of these preparations showed an alarming increase during the years 1950-53. In Bombay State, where the difficulty was acutely felt, imports of these preparations rose from 24,643 lbs. in 1950 to 36,00,000 lbs. in 1953. Similar increases were noticed in other prohibition States. In the absence of sufficient control over inter-State trade imports began

to pour in from neighbouring wet States. Lack of adequate control over manufactures within the States also led to an increase in production. The misuse of tinctures and other spirituous preparations added to the crime list. The Madras Government in their memorandum noted that "the misuse of spirituous and medicinal preparations as substitutes for alcohol is a very common occurrence in urban areas". Many persons who are charged for drunkenness contend in courts that they took non-prohibited medicinal preparations and thereby easily escape conviction. Varnish, French polish and denatured spirit are sometimes diluted and consumed by habituals. The problem therefore is to control the manufacture and sale of spirituous, medicinal and toilet preparations within the limits of State territories and also inter-State trade in these articles. After repeated representations by State Governments regarding the need to effectively curb this growing menace, the Union Government has undertaken legislation for the purpose. The Spirituous Preparations (Inter-State trade and commerce) Control Bill, 1955 is on the legislative anvil.\* As regards control over the manufacture, sale and distribution of these preparations within the limits of State territories, we were informed that State Governments have adequate powers in this behalf and some of them, for instance, Madras and Madhya Pradesh have already taken steps to make such control effective. There should be both quality and quantity control over manufacture so as to ensure that deleterious stuff is not palmed off as medicine and only such quantities are produced as are required for strictly medicinal purposes. The manufacturers as also dealers should be required to maintain accounts of production and sale of such preparations. Non-standard preparations which lend themselves to misuse will have to be kept out of the scope of production. The imposition of effective restrictions, we believe, will have the desired effect of putting down the misuse of these preparations.

34. A strong public opinion against the use of drinks and drugs is a condition precedent for the success of prohibition. Therefore, apart from meeting legal and administrative difficulties, there is the important aspect of intensifying education and propaganda. It is necessary that a regular, organised educative campaign should take the place of the sporadic propaganda now undertaken in most of

**Education and  
propaganda**

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\* The Bill has since been passed into law by Parliament.

the States. To quote an expressive phrase used by Shri Rajagopalachari "We must imagine that we have to sell prohibition." After a target date for nation-wide prohibition is fixed, the organization of machinery for educative propaganda should be immediately undertaken. We suggest that to begin with, a nucleus of persons who believe and have faith in the objective of prohibition should be created and the various social organisations with experience of this kind of work should be urged to cooperate. Temperance associations, local leaderships, women's associations, trade unions and religious organisations willing to undertake the work, should be approached for participation in the movement for prohibition. The important consideration is to unite the people, without distinction of party or creed into this great undertaking. Organisations of a non-political character are perhaps best fitted to carry on the day to day propaganda. Short training courses may be started to get together workers for the formation of prohibition squads. Propaganda should proceed in every direction and through every available method in urban as well as rural areas through official and non-official agencies.

35. Large numbers of addicts will be hopeful subjects for such education. Health Departments of the States through the media of the press and the radio may depict the nature of alcoholic habit-forming drinks and drugs and their demoralising effects on the users and through them on the public at large. Apart from exposing alcohol's sordid part in every day life, a realistic portrayal of the advantages accruing from the abstinent way of life to both the individual and to society can stimulate public interest. The positive approach to prohibition should underline the happy, care-free atmosphere of satisfying companionship and fellowship which prohibition brings in its wake. Propaganda should be direct and simple. Even children should be capable of carrying it to their homes. The virtues of abstinence should be taught in the school-room as vital principle of general hygiene. The Education Departments have a special function to perform in the matter of educating students and younger people in regard to alcohol and habit-forming drugs. Classroom instruction at all levels should be there but school authorities, teachers and directors of physical education can avail of special opportunities to bring home the benefits of total abstinence to maintain mental and physical fitness. It is common knowledge that athletes and sportsmen must lay off all alcoholic beverages if they



are to keep fit. Intelligent planning on the part of school authorities, local community leaders and officials for organising social gatherings and community functions can greatly enliven community life.

36. The role of the press is of vital importance. Fortunately the press in this country is by and large in favour of prohibition. Advantage should be taken of this factor to popularise the prohibition movement. Special efforts should be made to secure more space from the press for publicising the results of prohibition. Through short stories and other such interesting presentable matter, prohibition may be kept in the forefront of the public mind. The press should be invited and acquainted with the progress of prohibition in each State; press conferences may be held at intervals by State authorities in order to present to the public an accurate and graphic picture of the working of prohibition. We make an appeal to the press to co-operate in this endeavour and help by giving full publicity to the movement of prohibition.

37. People go to a liquor shop not merely for drinking but also for amusement and social intercourse. It is there that friends meet in the evening and share each other's woes and worries. In some places the drink shop is also an eating place for large numbers of workers, especially those whose womenfolk are engaged in work during the day outside their homes. The workers have necessarily to resort to the liquor-cum-eating shop at mid-day and later in the evening and are sometimes met there by their wives who may be accompanied by children. It is in this way that drink spreads from men to women and even to children. Thus the evil passes on from generation to generation. The liquor shop serves a variety of purposes for the labouring classes and when it is proposed to abolish it, steps should be taken simultaneously to provide for a place where the workers can meet for entertainment. The new place should provide diverse forms of relaxation and also a variety of wholesome and inexpensive food and drinks. So far as we know, in most of the States, this need will not be met at reasonable cost in the privately owned hotels and restaurants worked solely for profit. It may therefore be desirable to open centres, where among other things inexpensive food and drinks with proper nutritional content may be served. We suggest that so far as is possible, such centres may be opened simultaneously with the closure of liquor shops, if not earlier. Of course, the requirements

will vary from State to State. This is one of the reasons why we are keen that the Administrator should be appointed from the very start. He will assess the needs of the addicts in different parts of the State and with the help of local bodies and social welfare agencies make arrangements for supplying wholesome food and drinks as well as healthy recreation. It may be desirable to leave the catering to competent agencies, but it should be under strict and proper supervision. In some places, subsidising to some extent may be necessary by way of a site or a building, radio set etc.

We note that in most parts of the country, there has lately been a change for the worse in regard to food and drink habits of the people to the detriment of public health. In the North 'lassi' and 'chhachh' used to be modish drinks for long past but their use is diminishing day by day. In the South cold rice with curd in the morning and 'kazhunir', a popular drink in the day supplied valuable vitamins to the country-folk in an inexpensive way. The liquor shops ruined these old habits while tea and coffee as substitutes supplied little food value. We are conscious of the need for providing cheap and wholesome drinks, especially to the addicts.

38. A comprehensive educational programme in respect of prohibition should rest not merely on public appeals and class room instruction but should proceed on the wider sphere of making available wholesome recreation and entertainment. We are of the view that for the full and lasting success of prohibition, it will be absolutely necessary to follow up this programme with cultural and recreational activities to fill the gap left in the lives of those accustomed to drink. These activities should be so arranged as to enable whole families to participate in them so that habitual addicts are helped to regain self-respect and self-confidence. Propaganda should reach the home and bring social workers in close touch especially with families of addicts. "Instead of dwelling on the dangerous, debilitating and potentially disastrous resort to alcohol in beverage form, there may be presented a veritable host of ways and means of formal, informal, manual, intellectual, moral and spiritual, creative and recreative thought and endeavour". Government should establish recreation and entertainment centres for this purpose. A few centres are at present working but if a scheme of counter-attractions is to be effective, they should be enlarged and strengthened considerably and their number substantially increased. Provision should

be made for recreational activities including outdoor and indoor games where children and adults may join and even families. Cultural programmes like dramas, *bhajans* and *kirtans* etc. should form part of the activities of such centres. *Bhajans* and *kirtans* will provide for men and women of different temperaments and preferences, filling their lives with the joy that is emotionally felt in devotional and musical entertainment. All witnesses who appeared before us have stressed the importance of cultural programmes. Social education cannot proceed better than through such gatherings and functions which enrich community life. Educational films and radio programmes may also be utilized for making a positive contribution towards reclamation.

39. The importance of organising recreation and entertainment centres has not yet been adequately realised. They form in themselves an essential part of social welfare programmes and as such, should find a place in the second Five Year Plan. It should be part of the functions of a State responsible for public welfare to sustain such activity. We suggest that Government should provide for adequate subsidies to private organisations for this work to be effectively done. This does not mean that money grants should be made available and things left to themselves. It implies that steps should be taken to ensure that the counter-attractions are well-organised, sufficiently developed and methodically operated, setting prevention at work in an objective and efficient way. One possible explanation why no visible progress has been made so far in this direction, even in the prohibition States is that not enough money could be found for this useful activity. In the urban areas, land and buildings are difficult to get as gifts and therefore arrangements may have to be made for acquiring land and putting up buildings for the purpose of establishing a network of counter-attraction centres. In the rural areas, land may be found but outlay on buildings needs assistance. We recommend that in the second Five Year Plan a reasonable amount may be provided for subsidising schemes seeking to effectuate the plan of spreading out recreation and entertainment centres in urban as well as rural areas.

40. We wish to draw attention to the need for conducting surveys of conditions of drinkers and ex-drinkers and their families in different regions. Drink and drug habits vary from State to State and even in different areas of the same State. Much useful material can

**Factual surveys**

be collected on various aspects of consumption of intoxicating drinks and drugs and the results made available for policy making. The findings can also be of value in directing educative propaganda.

41. It is of the utmost importance to remain in touch with the families of habitual drinkers. Though it is true that drinkers offer hard resistance to persuasion, the force of education will, even after many disappointments, begin to make itself felt. There is a wide and fruitful field open for both Government and non-official social agencies to co-ordinate their activities and make education for prohibition one of their chief objectives. It is encouraging to record that all the social organisations whom we met readily expressed their desire to participate in this enterprise. It will be the duty of every State to invite participation of such organisations and secure it in the fullest measure. Educative propaganda in prohibition areas and in non-prohibition areas will take distinct forms. In prohibition areas attention should be focussed on expanding entertainment and recreation facilities and reclaiming and rehabilitating the addicts. In non-prohibition States, immediate attention should be given to preparing the ground for introduction of prohibition and bringing together of a nucleus of prohibition believers.

The Indian representatives of the International Commission for the Prevention of Alcoholism headed by Shri B. G. Kher are planning to set up a National Committee to sponsor an Institute of Scientific Studies. A private organisation dedicated to the launching of a world-wide education programme for total abstinence will, we believe, be of great assistance in helping to frame well-thought out educational programmes for total abstinence, suited to Indian traditions and background.

42. The loss of employment resulting from prohibition is a problem deserving attention. Large numbers of workers engaged in the liquor trade will lose their primary means of livelihood when prohibition is introduced and most of them have nothing to fall back upon. Therefore, the question of giving them alternative employment must engage our attention at the very start. Two sections of the people affected have to be taken into account, the liquor contractors and their employees, and the numerous class of toddy-tappers. Opposition to prohibition has been loudest among this latter class for obvious reasons. We were informed that among liquor contractors thrown

out of employment as a result of prohibition policy, there are quite a few who have taken to financing of illicit liquor traffic as a business in the dry areas. The problem of finding gainful occupations for those who will be thrown out of employment is part of the larger problem of solving unemployment and under-employment in the country. It is an important objective of the second Five Year Plan to provide more employment opportunities and we hope that the persons thrown out of employment on account of prohibition will be able, with some assistance, to find alternative employment in an expanding economy.

43. The case of toddy-tappers, in our opinion, calls for special consideration. In the first place, their numbers are large, although the figures furnished by the representatives of this class in Andhra and Hyderabad appeared to be rather exaggerated. Secondly, in many States and areas toddy-tapping has been the hereditary occupation among certain castes. The result is that the loss is concentrated heavily on a section of people who cannot easily fall back upon any alternative occupation. Agriculture, which is the *pis aller* of all rural people, is already overcrowded in most parts of the country. Special efforts are therefore necessary to divert this class to such cottage industries as they can easily take up. Shri Gajanan Naik of the All-India Khadi and Village Industries Board has, in a lengthy note emphasised that the palm gur development scheme can find employment for a large number of ex-toddy tappers. This suggestion was endorsed by some other prominent social workers engaged in constructive work. Co-operative societies started in Madras for this purpose, besides providing employment to ex-toddy tappers have led to a considerable increase in the output of palm jaggery. This type of organisation is still in its infancy in other States like Orissa, Bengal and Andhra. We are aware of the fact that the licences for the tapping of *neera* may be abused especially in areas where it is not customary to use it as a soft drink. The Andhra Prohibition Enquiry Committee has opined that there is peril of the failure of enforcement in this particular sphere. We recommend that organisations for the purpose of palm *gur* manufacture and tapping *neera* in areas where it is not ordinarily taken as a fresh drink be worked through the agency of trusted constructive workers. Full-size experiments may be made and results examined before turning large numbers of tappers into this industry. We believe that such procedure will ensure proper and bona-fide conduct on the part of toddy tappers

and they will observe the rules and offer their full co-operation to make such experiments successful. It will be good to use the vast natural resources in the shape of palm trees spread right through the country but proper and adequate safeguards against misuse of licences for tapping are necessary. We understand that Government grants are available on a larger scale than hitherto to develop small-scale and cottage industries and therefore no opportunity should be lost in utilising such grants for the benefit of ex-tappers. We suggest that adequate training facilities for the purpose should be provided by the Departments of Industries in the States concerned.

We do not think it is necessary to suggest any alternative avenues of employment for the less numerous but more influential class of contractors engaged in the liquor trade. We trust they have means to fall back upon and probably can take up contract work on various development projects in progress in the country. However, for obvious reasons, we would like to see these contractors and vendors weaned off from their present occupations and adjusted to more productive lines of work.

44. There are a few research problems which offer themselves for interesting study in connection with prohibition. In some foreign countries where prohibition still remains the ultimate objective, emphasis is laid on care of the alcoholic. In the U.S.A., and Sweden, for instance, there are a number of institutes set up for this purpose. We are of the opinion that the Government of India should set up a Central Research Institute for the study of mental and physical disorders and psychological problems connected with alcoholism. The research centre should try to find out ways and means for physical and psychological treatment of addicts and thus develop a human approach to the problem. The results of such research may be of value. We recommend therefore that after the results of such research are available and point to the usefulness of clinics, a number of clinics may be established in the States, especially in areas where the problems of alcoholism are acute. The importance of establishing such clinics where addicts can be treated and weaned away from liquor, cannot be too strongly stressed. We are confident that through proper approach by social workers, addicts can be persuaded to co-operate in such treat-

ment which will be for their own good. Apart from the humanitarian aspect of this approach, the establishment of clinics, in our opinion, will assist to strike at the root of illicit traffic.

45. It would be helpful to conduct research on the industrial utilisation of source materials like molasses and palm juice which are used for illicit distillation. The possibilities of rendering palm-juice as an innocuous drink may be explored. *Neera* is a soft drink but if kept for a few hours it turns into toddy; therefore care has to be taken to prevent its misuse. If, however, it is possible by some chemical process or otherwise to safeguard it against fermentation, palm juice may well become a popular and inexpensive drink. We think that some research work on this aspect is necessary.

46. We recommend that in order to review the progress of the prohibition programmes and to co-ordinate the activities of the different States in this sphere as also to keep in touch with their practical difficulties, it is desirable to set up a Central committee under the Planning Commission or the Ministry of Home Affairs. Some representatives of State Governments should also be associated with this committee. The State Governments have unanimously expressed the opinion that frequent reviews are necessary for ascertaining the measure of progress achieved. Difficulties may present themselves now and again and it may be useful to suggest solutions in the light of experience gained in different States. We suggest that State Governments may initiate objective surveys to assess the results of prohibition in their areas from time to time and place their experience with the proposed Central committee.

## Chapter V

### FINANCIAL ASPECT

Revenue from drink is collected chiefly as an excise. Excise duties necessarily follow excise policy. The Indian excise policy in the earlier British period varied from province to province and was subject to change from time to time. As a result of numerous experiments and enquiries, something like a general policy for India was evolved and this was enunciated in the well-known Government Resolution of 1905. (See Chapter II). In pursuance of this policy, Government raised the tax on liquor, whenever considered necessary, with the ostensible objective of checking consumption. From 1913 to 1935, except during the depression years, most State Governments enhanced the duties on liquor while trying to reduce the number of shops. The income from excise in what was then British India recorded a rise from Rs. 13.2 crores in 1912-13 to Rs. 16.7 crores in 1930-31. In the year 1937-38, a new chapter opened in the history of excise with the coming in of Congress ministries into power. In seven out of eleven provinces, the Congress party formed ministries which had prohibition as their avowed policy. Measures adopted by them varied from State to State but in general, all of them declared certain areas 'dry'. The remaining States supported the policy of discouragement of the consumption of alcoholic beverages. The receipts from excise duties declined from Rs. 14.07 crores in 1936-37 to Rs. 11.75 crores in 1939-40.

2. After the resignation of the Congress ministries in 1939, prohibition programmes in certain States were suspended or modified and 'dry' areas were declared 'open' for licensed shops. The evil of drink grew under war-time conditions. Fuller employment, larger incomes, night shifts in factories near industrial projects and the presence of foreign troops: all these stimulated the drink habit and thus brought about an enormous increase in excise revenues which stood at Rs. 50.2 crores in 1946-47 as against Rs. 14.1 crores in 1935-36. The second War saw Provincial Governments more dependent on excise revenues than formerly. The following table



shows the position of excise revenue for the year 1940-41 in provinces where the Governor's regime superseded popular ministries:

	Percentage of Excise to total Tax Revenue
Madras . . . . .	19
Bengal . . . . .	13
Bombay . . . . .	15
U.P. . . . .	12
Bihar . . . . .	19
C.P. and Berar . . . . .	12
Orissa . . . . .	17
Assam . . . . .	10

3. Once again in 1946, popular ministries came back into office and some of them resumed their programmes on prohibition. The change in policy and the partition of the country on 15th August 1947, reversed the curve of excise revenue bringing it down from Rs. 50·2 crores in 1946-47 to Rs. 27 crores in 1950-51. Thereafter the revenue rose once again chiefly in non-prohibition States and the present position of excise duties in State budgets is summarised below:—

*Proportion of Excise Receipts to Total Revenue*

State	Total Revenue* 1954-55 (R.E.)	Excise Receipts 1954-55 (R.E.)	Excise Receipts as per cent. of total Revenue
(1)	(2)	(3)	(4)
(In lakhs of rupees)			
<i>Part A States</i>			
Andhra . . . . .	2,139	7	0·33
Assam . . . . .	1,743	151	8·66
Bombay . . . . .	7,130	69	0·97
Bihar . . . . .	3,726	448	12·02
Madhya Pradesh . . . . .	2,545	203	7·97
Madras . . . . .	4,595	25	0·54
Orissa . . . . .	1,467	146	9·95
Punjab . . . . .	2,077	260	12·52
Uttar Pradesh . . . . .	7,736	541	7·00
West Bengal . . . . .	4,163	501	12·03
TOTAL—PART A STATES . . . . .	37,322	2,351	6·30

\*Total revenue receipts exclude transfers from the Post-war Reconstruction Funds of the States.

# TOTAL REVENUE AND

## PROHIBITION

RUPEES  
MILLIONS

400

350

300

250

200

150

100

50

0

1954-55 54-55  
SAURASHTRA ANDHRA

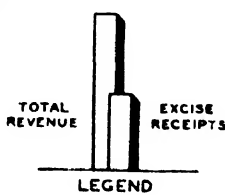
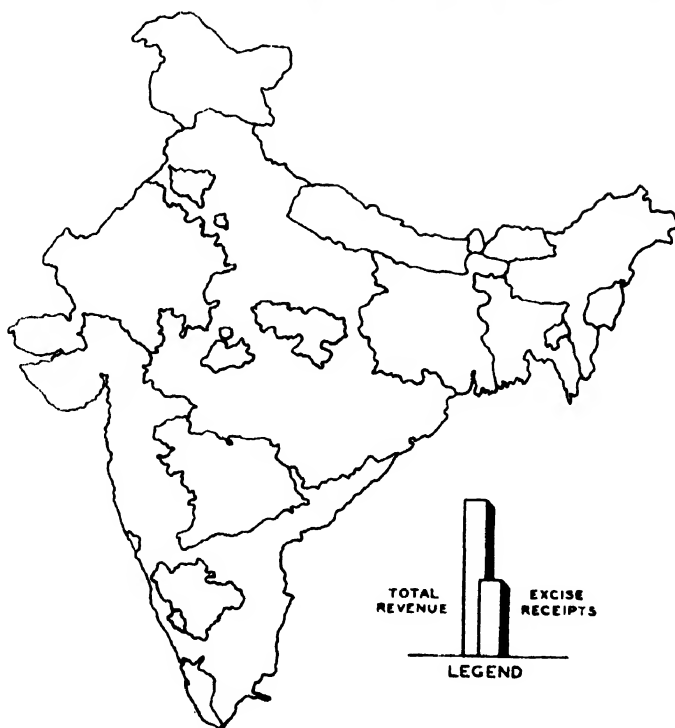
30-30 44-45 54-55  
MADRAS

30-30 44-45 54-55  
BOMBAY

1930-30 44-4  
UTTARA  
PRADI

460

713



RUPEES  
MILLIONS

400

350

300

250

200

150

100

PERMIT  
SYSTEM

50

0

1950-51 54-55  
COORG

1950-5  
W  
BI



	(1)	(2)	(3)	(4)
<i>Part B States</i>				
Hyderabad . . . . .		2,885	815	28.25
Madhya Bharat . . . . .		1,421	173	12.17
Mysore . . . . .		1,565	154	9.84
PEPSU . . . . .		784	217	27.68
Rajasthan . . . . .		2,211	260	11.76
Saurashtra . . . . .		1,211	7	1.58
Travancore-Cochin . . . . .		1,706	212	12.43
<b>TOTAL—PART B STATES . . . . .</b>		<b>11,783</b>	<b>1,838</b>	<b>15.59</b>
<i>Part C States</i>				
Ajmer . . . . .		195	28	14.36
Bhopal . . . . .		293	16	5.46
Coorg . . . . .		121	12	9.91
Delhi . . . . .		471	112	23.78
Himachal Pradesh . . . . .		306	15	4.90
Kutch . . . . .		41	4.4	10.73
Manipur . . . . .		32	0.5	1.56
Tripura . . . . .		29	1.2	4.14
Vindhya Pradesh . . . . .		464	33	7.11
<b>TOTAL—PART C STATES . . . . .</b>		<b>1,952</b>	<b>222</b>	<b>11.38</b>
<b>TOTAL ALL STATES . . . . .</b>		<b>51,257</b>	<b>4,411</b>	<b>8.64</b>

4. The Taxation Enquiry Commission, while commenting on the significance of excise in State finance, have observed: "In the early 'twenties, over one-fourth (27 per cent.) of total revenue was derived from this source; by the later thirties this proportion was down to less than one-fifth, in the War years the proportion of State excise again recorded an increase; but now, with prohibition and the growth of other commodity taxes, the proportion is only about 10 per cent."\*

5. With the inclusion of prohibition as one of the Directive Principles of State Policy, and the adoption of a socialistic pattern of society as the national objective, there is need for a new approach to the financial aspect of the problem. We have indicated elsewhere that we feel that prohibition should be viewed as an integral part of our national development Plan. We have many schemes before us

\*Taxation Enquiry Commission Report, Vol. I, p. 27.

for raising the standard of living of the common man and among these, prohibition has to be accorded a high priority. Social welfare cannot make rapid progress unless we take effective steps to eradicate so serious an evil as drink. We are in agreement with the view of the Taxation Enquiry Commission that "the fiscal aspect itself in the light of the avowed objective of policy must undoubtedly be treated as secondary". Any revenue lost or money spent on such an important reform as prohibition must be viewed in the light of the distinct social gains achieved.

6. It is admitted that the present excise duties collected in the States are highly iniquitous, regressive and anti-social. Not much argument is needed to show that the excise duties are of the most regressive character. The major part of excise revenue is collected from the consumers of toddy and country liquor, and these belong to the poorest sections of society. For every rupee of excise duties collected, the consumer of liquor has to pay something like Rs. 3 for drink. For instance, the total amount spent in the residuary State of Madras during 1945-46, the last full *Abkari* year, by drinkers and drug addicts was worked out as follows.

Exciseable Drinks and Drugs	Consumption (in gallons or seers)	Retail selling price (per gallon or seer) (Rs.)	Amount spent by addicts (Rs.)
(1)	(2)	(3)	(4)
Arrack . . . . .	18,27,616	24	4,38,62,784
Toddy . . . . .	9,31,88,730	2	18,63,77,460
Imported spirits . . . . .	93,588	90	86,32,920
Indian made foreign spirits . . . . .	1,66,087	60	99,75,220
Imported and Indian made malt liquors . . . . .	10,50,547	6	63,03,282
Wines . . . . .	10,650	36	3,83,400
Opium . . . . .	5,677	400	22,70,800
Ganja . . . . .	21,617	170	36,74,890
Bhang . . . . .	5,375	50	2,68,750

7. The figures reveal that while imported liquor and Indian made foreign spirits accounted only for a little over Rs. 2½ crores, Rs. 24 crores represented the sum spent on toddy and arrack and drugs. These figures do not take into account the amount towards cost incurred on account of illicit practices, such as mixture of sweet toddy tapped from unmarked trees. The estimated cost of this last item,

according to the Madras Government, is Rs. 7½ crores. Relying only on the actual figures for licit consumption, the average works out to Rs. 108 per head per year if the State's assumption of the total number of drinkers and drug addicts in the State at 25 lakhs of men and women is taken as correct. Two results follow. The tax collected by the State is only a picking from the wilful waste to which the consumer is put; the public treasury getting only a third of what is totally spent on drink. The second result is that the *per capita* expenditure of the drinker amongst the poor sections of society works out at Rs. 100 per head per year, an extraordinarily high figure relatively to the *per capita* national income which is estimated at Rs. 265 per annum. Broadly speaking, in the States where prohibition is not in force, 12 to 28 per cent. of the total State revenue is realised from 5 to 15 per cent. of the total population of the State. A tax of such high incidence constitutes a crushing burden on the poor man's resources. It is collected mostly from a section of society earning the lowest *per capita* income.

8. The inelastic character of the tax does not require much elaboration. Even the avowed excise policy requires the States to reduce the consumption of liquor and drugs. The raising of excise duty beyond a particular point is fraught with the risk of illicit distillation on a fairly wide scale. The inelasticity of the tax is inherent in the nature of the tax itself. Expenditure on drink, of which excise duty is but a fraction, affects the pattern of family budgets adversely, by causing a shift in expenditure from articles of essential consumption to articles of unproductive and deleterious character. The excise duty, besides taking no account of the ability to pay—an important criterion in taxation—impairs the efficiency of the taxpayer and reduces his ability as well as the will to work. The majority of those who have developed the drink habit are a perpetual liability on the nation and cannot be expected to contribute even to small savings. The drinker's family which lives on the margin of subsistence is reduced slowly and inevitably to bankruptcy. Debt burdens accumulate and savings become well-nigh impossible.

9. Excise duties exercise an undesirable effect on the distribution of national income. The system of auction vend has resulted in the emergence of a contractor class who thrive on the poor man's agony. In the entire drink bill, the middlemen make the largest amount of profit at the cost of the poor as well as of the State treasury. Thus, judged from the point of view of justice, equity and incidence, the effect on

**Inelastic nature of excise duties**

**A blot on the tax system**

the taxpayer's productive efficiency and the rate of saving in the country, excise duties are a blot on our tax system and national economy. We have therefore no hesitation in recommending that this tax should be wiped out at the earliest. It has no justification to exist in a progressive tax system.

10. If prohibition is regarded as an integral part of national development, it naturally follows that the progressive fall in excise revenue resulting from prohibition should be integrated with the general financial proposals of each State for the second Five-Year Plan. We therefore hold that no additional taxation should be directly linked with prohibition. There will be need for more resources—both tax and non-tax for fulfilling the aims of a comprehensive plan of development. As prohibition will be one positive item in the Plan, it may be assumed that it will be dealt with as one such in the framework of the budgets of States.

11. The revenues of both the Union and State Governments will have to be augmented to finance the second Five-Year Plan. The Taxation Enquiry Commission, after a searching and thorough examination of the position in the States, has recommended certain additional sources of revenue for both Union and State Governments. It is unnecessary for us to recount them here. We should like to draw special attention to the recommendations of the Commission regarding the steepening of estate duties, rationalisation of rate structures, and tightening up of tax collections. In particular, the measures recommended by them for preventing evasion and avoidance under income-tax and sales tax have to be emphasised here. It is not possible to estimate with any degree of accuracy the extent of the leakage under these two revenue heads. According to the Commission, the attempted evasion prevalent is 'on a considerable scale', and "the quantum of evasion which actually takes place and goes undetected could be rightly estimated at a very high figure indeed". If a concerted effort is made, an amount equivalent to at least 10 per cent. of the collections under these two heads should be possible of realisation. This alone would bring an additional revenue of Rs. 20 crores, which will be of considerable help in recouping the loss of excise duties. We also suggest that a systematic effort should be made to dispose of pending cases under income-tax and sales tax and to realise the arrears expeditiously. There are also some possibilities of expanding revenue under non-tax items. We were told by the Finance Minister, Travancore-Cochin that the State Government has under consideration certain measures for adding to non-tax revenues.

By such fiscal measures as indicated above, it is our view that it will be possible to add considerably to the revenues of Government, both Central and States, without throwing any appreciable burden on the poor. It is enough to point out that the proposals of the Taxation Enquiry Commission are intended to cover the increased expenditure projected in the second Five-Year Plan. The Commission has emphasised the fact that all the Directives of State Policy should find fulfilment in the plans of both State and Union Governments. We hope that in pursuance of the recommendations of the Taxation Enquiry Commission, the States will be able to increase their own financial resources and also receive a larger share from the revenues raised by the Union Government for financing the second Five-Year Plan.

12. It should be borne in mind that prohibition, if effectively enforced will contribute to the general economic prosperity of the country by raising the purchasing power of the people, by stimulating and increasing savings and by improving their general standard of living. **Effect of prohibition on standard of living** It will be conceded that it will definitely bring positive money gains so far as individual families are concerned. Its salutary effect on the standard of living, especially of the poorer classes and the ability to save deserves careful consideration. An investigation conducted by the School of Economics and Sociology, University of Bombay, in the year 1950 brought out a comparative picture of family budgets of addicts and non-addicts. The following table on the above survey sums up the important features of the expenditure pattern of addicts and non-addicts:

Item	Frequencies	
	Addicts	Non-addicts
Food . . . . .	2	26
<i>Bidi and pan</i> . . . . .	20	8
Clothing . . . . .	14	14
Miscellaneous . . . . .	8	20

The frequencies shown above indicate the importance attached to the items in respect of budgets of addicts and non-addicts respectively. This table makes it clear that the addicts mainly economise on food and on miscellaneous items. Economies in food in the lower strata of society are likely to undermine both health and efficiency. Similar conclusions were arrived at by Dr. P. J. Thomas in the year 1937-38,



who investigated the economic results of prohibition among the industrial and other workers of the Salem district. The following table shows the changes in monthly expenditure in pre-prohibition and post-prohibition periods:—

Item	Pre-prohibition		Post-prohibition	
	Amount	Percentage of total expenditure	Amount	Percentage of total expenditure
	Rs. A. P.		Rs. A. P.	
Food . . . . .	11 7 3	42.9	15 1 9	55.8
Tobacco and betel . . . . .	1 6 6	5.3	1 2 3	4.2
Clothing . . . . .	1 10 1	6.1	2 5 7	9.7
Fuel . . . . .	1 5 2✓	5.0	1 10 8✓	6.1
Amusements . . . . .	0 6 2✓	1.4	0 14 0	3.2
Savings . . . . .	..	..	0 12 9	2.9
Miscellaneous . . . . .	0 11 10✓	2.8	1 2 2	4.2
	16-13. 0		23-1. 0	

13. The experience of the prohibition States, as set out in Chapter III points to the fact that prohibition has in effect raised the standard of living of the poorer classes. They spend more on necessities like food and clothing and are also able to send their children to school. Their women-folk lead happier lives. The capacity of ex-drinkers for savings has increased and the survey conducted by the Tata School of Social Sciences, Bombay, shows that those who have been weaned away from drink have spent more on repayment of debts than those who continue to drink. Resort to places of public amusements is also seen to be very frequent in the case of non-drinkers. Social results from prohibition cannot be adequately measured. Intangible gains like changes in social values and the diminution of crime may not be set down in terms of money.

14. If properly garnered, the release of purchasing power resulting from prohibition can help to raise living standards, assist capital formation and to set in motion an upward spiral of economic improvement in the country.

Accurate statistics of the drink bill have not been collected for all India, but we know that a detailed calculation of the total drink bill of the residuary State of Madras, based on consumption data and issue prices for the year 1945-46, a full non-prohibition year, revealed that for every rupee of the excise revenue collected, the consumer spent

three on drink. According to the estimate of the Bombay Government, a sum of Rs. 35 crores was released every year as additional purchasing power consequent on the introduction of complete prohibition in the State, and this corroborates the Madras figures. We are aware that the issue prices of liquor and drugs may vary from State to State as also the quantities consumed. Nevertheless, the average indicated by the Madras figures may be taken as fairly applicable to the whole country. It follows that purchasing power to the tune of Rs. 140 crores will be released by prohibition being introduced throughout the Union. It has been suggested by critics that part of this money may still find its way into useless expenditure such as illicit drink, gambling, etc. Even if such diversion accounts for a third part, two-thirds of this extra purchasing power i.e. Rs. 94 crores every year will be *re-routed* into useful and productive channels. The economic reactions of such fresh release of purchasing power can be immense in this land where advance in production is held up largely because of meagre purchasing power of the people.

15. Well-known economists have dilated on the economic significance of the withdrawal of money from drink. Adam Smith wrote: "All the labour expended on producing strong drink is utterly unproductive; it adds nothing to the wealth of the community. A wise man works and earns wages and spends his wages so that he may work again. Employers, taken all around do not put more wages to total abstainers, but the latter contribute more to their own and fellow workers' wages fund than do the drinkers". A recent writer, Samuel Crowther, has put the idea more forcefully: "To all intents and purposes, money diverted from drink to goods can be counted as new money".\* The practical significance of this has to be understood. Money spent on drink is necessarily sterile; but money in the hands of an abstainer can be expended on a number of useful consumption goods. Not only can this raise the level of living of the ex-drinker but by generation of fresh demand for goods, production and employment may expand. This will lead to a further increase of incomes, and a rise in the levels of living will necessarily follow.

16. The question then is: how the purchasing power released by prohibition can be used in such a way as to bring about these beneficial reactions. For this, work has to be done in many directions. It is desirable that ex-drinkers use the bulk of fresh money on such consumption

**Use of diverted  
money**

\*Crowther : *Prohibition and Prosperity*, p 81.

goods as will lead to increased production and employment in industry as well as agriculture. Secondly, an effective organisation should be set up to see that savings deposited in co-operative banks are used for productive purposes such as purchase of cattle, implements for production or for improvement of land. It is certain that some part of this purchasing power released by prohibition in India has been used in this way, as has been brought out by the economic surveys cited elsewhere in the Report. In urban areas too, savings can be absorbed in many welfare and productive schemes like industrial co-operatives and housing.

17. It is for the various social service organisations to see that ex-drinkers use their savings for the above purposes

**Rural savings** Supply of wholesome and inexpensive food and drinks as suggested in Chapter IV can be helpful in this matter. Active work has to be done for diverting part of the money into post office savings banks, national saving certificates and "home hundis". Suitable systems of savings have to be pushed through so that ex-drinkers may be encouraged to save a part of the money. The recent All-India Rural Credit Survey has made a number of useful suggestions in regard to mopping up rural savings. It may be worthwhile devising a scheme of insurance for the same purpose. Those who are adversely affected on account of prohibition may be persuaded to take up a subsidiary industry or the improvement of their lands. With a State Bank ready to serve the agriculturists, and the Reserve Bank operating actively for financing small-scale industries through co-operative banks, there are much greater opportunities today for ex-drinkers to improve their lands and for toddy tappers to take to cottage industries. The income and living standards of the ex-drinkers can be stepped up substantially. As a result capital formation can be quickened, and production increased. The taxable capacity of the country may expand to some extent and that may help to raise somewhat larger revenues after a period of time.

18. Apart from the long-range economic benefits of prohibition, the

**Example of prohibition States** immediate problem of making up the loss of revenue is not of insuperable nature. The efforts of prohibition States are an example for other States. The yield from only one source, that is, sales tax, has amply compensated the fall in revenue resulting from prohibition. The revenue foregone under excise in 1939 when limited prohibition was introduced in Bombay Province was more than made up by the imposition of a tax on immovable properties in certain selected urban areas;

\*Home hundis are kept in the homes of ex-addicts to facilitate small savings.

and since 1946, as the following table will show, the loss of excise revenue has been made up by receipts under sales tax:—

Year	Revenue under Excise (in Rs. lakhs)	Revenue under Sales Tax (in Rs. lakhs)
1946-47	974	117
1947-48	854	488
1948-49	617	617
1949-50	408	1,323
1950-51	107	1,517
1951-52	96	1,310

The experience of Madras State also confirms the same fact. The following table shows revenue under excise and general sales tax in Madras State in 1938-39 and since 1945-46:—

Year	Revenue under Excise (in Rs. lakhs)	Revenue under General Sales Tax (in Rs. lakhs.)
1938-39	372	..
1945-46	1,680	583
1946-47	1,468	696
1947-48	1,069	831
1948-49	367	1,303
1949-50	59	1,524
1950-51	55	1,587
1951-52	41	1,559
1952-53	47	1,321
1953-54	31	1,400

19. We must also make it clear that by citing the example of the sales tax, we do not suggest that enforcement of prohibition should be linked with any individual tax. We have only indicated that revenue has increased in certain States in the wake of prohibition. Non-prohibition States can take advantage of the experience of Bombay and Madras and rebuild their fiscal system on broader and more equitable foundations.

20. These two States have implemented prohibition relying on their own resources. This is quite proper, as prohibition is a State responsibility. There are, however, certain States which depend on excise for a considerable part of their revenue and it may be difficult for some of

them to implement the prohibition programme without assistance from the Centre. We hope that the Union Government would give its earnest consideration to the needs of such States and that adequate assistance will be given to them so that they may not only introduce prohibition but also push through other social welfare schemes included in the second **Five-Year Plan**.

## CONCLUSIONS

We have based all our recommendations contained in the previous Chapters mainly on the experience gained in the working of prohibition in certain parts of this country. Although the conditions in foreign countries are different from those in India, we have made a study of their experiments and we may say that we have profited considerably.

2 Whatever special difficulties of other countries may have been, we are confident that the programme of prohibition in India will meet with success, in view of a number of favourable circumstances including cultural traditions and social habits which have always stood against the evil of drink. To quote Mahatma Gandhi: "India is the most promising country in the world for carrying out total prohibition for the simple reason that addiction to drink is not considered respectable or fashionable and is confined only to a certain class of people". The magnitude of the problem of drink in India is not so great as in the West or in the U.S.A. The population given to drinking is hardly over 10 per cent. in India while in the U.S.A., it has been estimated that nearly 70 per cent. of men and 60 per cent. of women partake of drink\*. Drinking among women in India is an exception even amongst the lowest classes. Sample surveys carried out to ascertain the percentage of the population given to drinking by The Tata School of Social Sciences, Bombay in 1948, and by the Ahmedabad team in 1938, point to the figure of approximately 10 per cent. Excise Commissioners in some States for instance in West Bengal have put the figure even still lower. Liquor shops are comparatively few in number in India as compared to many other countries. For instance, in Madras there was only one shop, according to a calculation made by Mr. D. N. Strathie, I.C.S., twenty years ago, for 2,394 inhabitants as against one for every 360 in Britain. This too illustrates the striking difference in the magnitude of the problem of drink in India and elsewhere. It has been urged as a specious argument that because the numbers in India who drink are small, the problem is not serious and may be left to itself. It is in the nature of alcohol to create an ever-increasing demand for itself, "a demand so insistent as it grows as finally to limit and drive out both the desire for, and the ability to

\*See note on Foreign Experiments (Appendix 1)

satisfy other economic needs". In fact, the persons who are accustomed to drinking are determined to have it after the habit is formed, whatever the cost. "Habit and trade become mutually cause and effect tending ever towards excess". A well known Chinese proverb says, "At first the man takes the drink, then the drink takes the drink, and finally, the drink takes the man." The evil keeps on spreading year after year and it may be far more easy to nip it in the bud than allow it to grow to bigger dimensions and then seek to apply the brakes.

3. Another favourable factor is the moral and cultural tradition through the ages in this country which condemns drink as evil. Voluntary prohibition practised by the majority of the population has strengthened the feeling for the abstinent way of life. Nothing would favour the movement for prohibition in India more than this fact that drinking has been regarded as vice—and even sin.

4. We have already pointed to the fact that drinking among women is scarce in this country. Generally, women in India abhor drink, whereas the experience of foreign countries shows that drinking even in public by women has greatly increased. Raymond G. McCarthy, writes this of conditions in the United States of America: "Drinking in public by women has increased greatly since the pre-prohibition era. The increase in the consumption of beer and wine in the last decade may be associated with the rise in the number of women drinkers". Looked at from this point of view conditions in India are much more favourable.

5. Prohibition experiments in States which have gone dry in India have not revealed the familiar tendency witnessed in foreign countries to wilful disregard of the law, on the ground that prohibition was supposed to interfere with individual freedom. Raymond B. Fosdick and Albert L. Scott in their book "Towards Liquor Control" observe: "Wide areas of the public are still unconvinced that the use of alcoholic beverages is in itself reprehensible. That there is grave peril of immoderate use is uniformly conceded, but public opinion will not support the thesis that the temperate use of alcohol is inconsistent with good citizenship and social responsibility."\* Such an attitude would find little support in this country.

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\*Towards Liquor Control, p.15

6. Prohibition is a long-range constructive programme and seeks to reclaim not only those who are addicted to liquor in the present, but to shut out drink altogether from future generations. The virtual absence of drinking in Indian homes is an important factor in considering this aspect of the question. The family which is the most stable unit in the social order in India stands firmly against drink. Considered from every point of view: the relatively small magnitude of the problem of drink; the general law-abiding nature of the people; the assured and unfailing support of the women to prohibition; the resistance of the average family to drink being served at home; the prohibitory and inhibitory teachings against drink which have prevailed for centuries: all these render abolition of drink in India a practical possibility.

7. We sincerely feel that the programme suggested by us is practicable and can be effectively implemented on a nation-wide scale. We maintain that prohibition should be regarded as an integral part of the National Development Plan. Mahatma Gandhi wrote: "I have sometimes felt that the word prohibition is not a very happy word in the context of our programme. It somehow gives an idea of a negative act on the part of Government whereas the prohibition programme is, I maintain, an emphatically positive programme of reconstruction". The lead given by the prohibition States has made it desirable to extend the policy to the whole of the country. These States have shown that the obstacles in the way are not insuperable; they can be overcome through planned and persistent efforts, reinforced by faith in the cause of prohibition.

We can conclude no better than by quoting the Prime Minister's latest message to the Bombay Prohibition Week celebrations in April 1955:—

"I have no doubt that this broad objective is good for our country. I am not prepared to generalise about other countries which have different habits and different ways of living. But in our country it seems to me desirable, both from the point of view of the general public and also from the point of view of the select few who appear to take some pride in indulging in alcoholic drinks, even though the sentiment of the country is against it. I think it has been adequately shown that the general mass of our popula-



tion benefit by prohibition in many ways financially, physically and ethically."

**New Delhi ;  
September 10, 1955**

SHRIMAN NARAYAN, *Chairman*  
SUCHETA KRIPALANI  
BHASKER PATEL  
P. J. THOMAS  
S. R. VASAVADA  
JAGLAL CHOUDHRY  
R. N. SAMARTH  
P. KODANDA RAO\*  
G. RAMACHANDRAN  
N. S. VARADACHARI

*Members*

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\* Subject to a Note of Dissent.

# SUMMARY OF RECOMMENDATIONS

## Chapter III

### NATIONAL PROGRAMME

	<i>Reference to paragraphs</i>
<i>Prohibition, an integral part of the Plan.</i> —Prohibition should be regarded as an integral part of the second Five-Year Plan. ... ..	16
<i>Target date.</i> —The target date for completing nation-wide prohibition should be 1st April, 1958; in proposing this date the Committee have taken into consideration both the urgency of the situation and the practical difficulties which have to be overcome by the State Governments concerned. It should be the care of the proposed Central committee to adjudge if the States concerned have made the preparations considered adequate for the purpose of launching complete prohibition. If it is found that any State is not adequately prepared, attention should be drawn to such defaults as might occur and the State Government should be asked to make good all that is needed to complete effective preparation. The Central committee may make an annual report reviewing the position from year to year indicating how far the steps taken have progressed, and the report may be placed before the National Development Council for review and assessment. ...	19-20
<i>Declaration of Policy by the Union and State Governments.</i> —Before the end of the current year the State Governments may declare their acceptance of prohibition policy and the target date and prepare the public to fully co-operate in the fulfilment of the prohibition programme. ... ..	21
A clear cut statement may be issued by the Union Government to the effect that prohibition has become the national policy of the Government and that through the gradual process of education, tightening of restrictions and enforcement, the use of intoxicating drinks and of drugs injurious to health, except for medicinal purposes, is to be completely stopped and before the 1st April 1958 prohibition will become national law through the State Legislatures. ...	21

In States where prohibition is already in force their programmes will continue but with greater vigilance and with specific additional measures recommended to ensure better and more concrete results. ... 22

In States where partial prohibition obtains, steps should be taken to widen the scope and to secure effective implementation of the policy of prohibition so as to cover the entire State area. ... 22

*Steps to be taken on the 1st April 1956.*—In States which have yet made no beginning towards prohibition and in the wet areas of partial prohibition States from 1st April 1956 there should be stoppage of drinking in hotels, bars, restaurants, messes, clubs, cinemas and in parties and functions: social, religious and otherwise. ... 23

During the transition period in the case of hotels catering to foreign visitors and tourists, a separate room may be provided for service of liquor to them. Such hotels should be specified by State Governments and rules made in regard to serving of liquor on temporary permits for foreign visitors and tourists. 23

During the transition period, in regard to the messes of Defence Services, liquor should not be served at the table, when outsiders are invited. ... 23

From the 1st April 1956, advertisements and all other public inducements relating to drink should be prohibited. ... 24

*Steps to be taken before the target date.*—During the intervening period between the 1st April 1956 and the target date, the following steps should be taken:—

- (a) the number of liquor shops in both rural and urban areas should be progressively reduced;
- (b) liquor shops should be closed for an increasing number of days in a week;
- (c) a proportionate reduction should be effected in the quantity of supplies to the shops;
- (d) the strength of distilled liquor produced by distilleries in India should be progressively reduced;

(e) the closure of shops in and near specified industrial and other development projects areas should be given high priority; and

(f) removal of shops to places away from living quarters in villages and towns; shops in big towns should not be located in the main streets where drinking would be visible to the public. ... 25

The steps recommended above need a more detailed consideration in order to work out the precise percentages of reduction in supplies and shops. In every State where total prohibition has not been enforced, a technical committee may be constituted for the purpose of working out details in connection with these steps to suit local conditions. ... 29

**Role of Government Servants.**—Abstinance should be made a rule of conduct for Government servants and should be incorporated as such in the Service Rules. ... 30

**Hemp Drugs.**—As regards ganja, charas, bhang and other drugs which are injurious to health, during the interim period there should be a progressive reduction in the number of shops and the quantities issued for consumption. In some States where steps have been taken already to prohibit their consumption, no further action is required. ... 32

**Defence Services.**—The Defence Services have showed their willingness to fall in line when nation-wide prohibition comes into force. The Committee trust that Defence Services will welcome complete prohibition and give it their valued support. ... 33

**Tribal Areas.**—While the general policy of prohibition should be applicable to all tribal areas, there is need for further study of the problem in the scheduled areas of NEFA, Manipur and Tripura. Enforcement in the tribal areas should be mainly through the educative process, penal action should be resorted to only for preventing illicit trade in and from such areas. In the belts surrounding predominantly tribal areas where there is mixed population, prohibition should be strictly enforced as in the case of other areas. ... 36

*Foreign Embassies.*—The Committee hopes that foreign embassies in this country will respect national sentiment in the matter of prohibition and trust that when it becomes a national policy they will of their own volition not serve liquor at public receptions where Indian citizens are invited. ... 36

*Newly merged areas.*—The phased programme of prohibition outlined for the States should apply to the territories recently taken over and similar areas. .. 37

*Permits.*—Under the scheme of complete prohibition envisaged by the Committee there will be no permits issued on health grounds. Such permits should generally cease in the prohibition areas after the 1st April 1958. In the meantime steps should be taken to reduce the number of permit-holders and the quantity of liquor or drugs issued to them. Provision, however, may be made for the following:—

- (a) Foreign tourists and visitors and foreigners resident in this country may be allowed to have liquor privately in their homes on the basis of special permits. They should in no case indulge in drinking in public after the target date.
- (b) For sacramental purposes, liquor may be allowed on permits to Christian, Jewish and Parsee places of worship.
- (c) Small quantities of liquor and opium and its derivatives may be permitted for medical treatment of cases under proper safeguards. ... 38

The cases falling under category (c) should be certified and permitted by duly constituted boards at State and district levels. At the State level, two of the seniormost officials of the medical Service and the Administrator of Prohibition should form the board. The boards at district level will be constituted by the State Board and consist of the Civil Surgeon, a medical practitioner and a prominent citizen of the locality who is a convinced prohibitionist. ... 39

There will be cases of chronic alcoholism which may have to be treated as hospital cases and provision should be made for them in State institutions. ... 39

**Industrial Alcohol.**—Industrial alcohol will be obtained through normal channels of Government for industrial purposes, under proper supervision. Satisfactory formulae should be devised for making industrial alcohol non-potable. With a view to prevent its diversion, dilution and adulteration for drinking purposes, effective rules should be framed in respect of manufacture, storage, transport and disposal of industrial alcohol. ... ..

40

## CHAPTER IV

### ENFORCEMENT

**Law and Public Opinion.**—Unless the law is backed by active support of the people, enforcement will tend to weaken. It is of the utmost importance that the public conscience should be roused to combat the growing evil of drink and drugs. .. ..

2

**Two wings of enforcement.**—Enforcement should proceed on two definite lines: (a) educative and preventive and (b) legal and administrative. The two arms of enforcement should be properly co-ordinated. The emphasis should be shifted from mere detection and punishment to prevention and education ...

4

**Appointment of Administrator.**—To achieve co-ordination between the two wings of the enforcement machinery, an Administrator of Prohibition should be appointed in every State with effect from the 1st April, 1956. The Administrator should work directly under the Minister for Prohibition. The incumbent should be a non-official of the highest standing who can devote himself exclusively to the implementation of prohibition programme. The Administrator will have control over the two wings of enforcement but he will have no powers to interfere with the normal administration of the Police Department. It will be the duty of the Administrator to co-ordinate official and non-official activities to ensure effective enforcement of prohibition. ...

5

**Prohibition Boards.**—There should be a Prohibition Board at the State level consisting of representatives of both the wings of the enforcement machinery as well as some representatives of public opinion. The Minister incharge of prohibition will be the President of the

Board and the Administrator its Chairman. The Board will meet regularly and frequently to consider the details of policy and review the progress of prohibition programme from time to time. ... 6

It would also be necessary to establish Prohibition Committees in each district and even upto the village and mohalla level. District committees should consist of officials and non-officials drawn from both the enforcement wings. The Chairman of the committee will be the District Magistrate and the convener, a full-time prohibition worker of the district. At least half the number of members of district prohibition committees should be drawn from the ranks of social and constructive workers. Some representatives of local bodies interested in prohibition should also be included. These committees should be set up on the advice of the State Boards from time to time after taking into account the readiness of local organisations to function effectively. It is better to have a few committees functioning properly rather than many with poor records. ... 7

**Legal and Administrative Aspects.**—There should be a Prohibition Act in every State. In the States where no such Act is in force, steps should be taken as early as possible to frame the necessary legislation. The Acts of Bombay and Madras which are already in force may serve as models. ... 12

Prohibition offences should be treated on a par with other offences and the police should be made responsible for legal enforcement of prohibition. All powers in connection with investigation, prevention, detection, prosecution, etc., will vest with the Police Department. 13

Within the Police Department, there should be a special enforcement branch for prohibition work, consisting of trained personnel. This would involve imparting a certain amount of training to police force in details connected with prohibition work ... 14

**Mobile Squads.**—Mobile squads of police be organised especially for attacking sources of illicit supplies of liquor and drugs. For this purpose, the State Governments should provide adequate transport and other facilities. 15 and 23

*Amendments to law suggested.*—The following changes in law and procedure are suggested:—

- (1) All offences connected with illicit distillation, import and export of liquor and drugs, bottling of illicit liquor for sale, rendering denatured spirit potable and cultivation of hemp plant, etc. should be made non-bailable.
- (2) Punishments in connection with non-bailable offences should be made deterrent. The law should prescribe a minimum punishment in such cases. For instance, the minimum punishment for the first offence may be imprisonment for six months and a heavy fine, and for second offence, a minimum of one year and heavier fine.
- (3) There should be summary trials for prohibition offences other than non-bailable offences mentioned above. A time-limit of two months for each case may be set for ensuring expeditious disposal. The intention is to simplify procedure without taking away the right of the citizen to defend himself properly before a court of law.
- (4) State Governments should devise ways and means of protecting witnesses who furnish important information relating to non-bailable offences.
- (5) Where a person continues to defy the law and is engaged in illicit manufacture or illicit traffic in drinks and drugs, the possibility of the use of security sections of the Criminal Procedure Code may be examined for the prevention of such offences.

17

*Illicit Distillation.*—Concerted measures are necessary to strike at the roots of illicit distillation and trade. The steps recommended include continuous destruction of materials used for illicit distillation through the agency of mobile squads, effective control on base materials etc.

23

*Constructive Approach.*—The importance of constructive approach to tackle illicit distillation, for example, the experiment carried in Rae Bareilly (Uttar Pradesh) cannot be under-estimated. Persistent application of such an approach will dry up illicit practices, even



though it will take longer than the alternative method involving detection and punishment. . . . . 26

*Rationing.*—A scheme of rationing for the life-time of addicts even if permits were renewed from year to year would be against the very spirit of prohibition and at best a temperance measure. The scheme is illogical and administratively unworkable. . . . . 31

*Enforcement Machinery and Corruption.*—Great care should be taken in the matter of selecting personnel for enforcement of prohibition. . . . . 32

*Control over spiritous, medicinal and toilet preparations.*—There should be effective control on the manufacture, sale and distribution of such preparations within the limit of State territories. The manufacturers as well as dealers should be required to maintain accounts of production and sales. Non-standard preparations which lend themselves to misuse should be left out of the scope of production. . . . . 33

*Education and Propaganda.*—Machinery for education and propaganda should be immediately organised by State Governments. All existing organisations which have experience of this kind of work should be urged to cooperate. . . . . 34

The Education Department has a special function to perform in the matter of educating students and younger people in regard to the harmful effects of alcohol and drugs. . . . . 35

*Role of the Press.*—The press should be fully utilized to rally public opinion around prohibition. . . . . 36

*Counter-attractions.*—It may be desirable to open centres where among other things inexpensive food and nutritious drinks may be provided for sale. Wherever possible, such centres may be opened simultaneously with the closure of liquor shops, if not earlier. In some places subsidizing may be necessary. . . . . 37

*Recreation Centres.*—Recreation and entertainment centres form in themselves an essential part of the social welfare programme and should find a place in the Second Five-Year Plan. The State may have to arrange for subsidies to private organisations

for acquiring land and putting up buildings for establishing a network of counter-attraction centres. A reasonable amount may be provided in the Second Five-Year Plan to effectuate the scheme of spreading out such centres in urban as well as rural areas. ... 38-39

*A fruitful field.*—The immediate steps to be taken in prohibition areas and non-prohibition areas will take distinct forms; in the former attention should be focussed on enlarging entertainment and recreation facilities and the application of persuasion to addicts to give up drinking. In non-prohibition States immediate attention should be given to preparing the ground for introduction of prohibition and creating the nucleus of enforcement machinery. ... 41

*Ameliorative measures.*—Special efforts should be made to persuade ex-toddy tappers to take up suitable cottage industries. The organisations for the purpose of palm gur manufacture and for tapping neera in areas where it is not ordinarily taken fresh should be worked through the agency of trusted constructive workers. Full-size experiments may be made and results examined before turning large number of tappers into this industry. Liquor contractors and vendors should be weaned off from their present occupations and encouraged to take up more productive lines of work. 43

*Research Problems.*—A Central Research Institute should be set up for the study of mental and physical disorders and psychological problems connected with alcoholism. When the results of such researches are available, a number of clinics may be established, especially in those areas where problems of alcoholism are acute. ... 44

It would be useful to conduct research on the industrial utilisation of such base materials as molasses and palm juice which are used for illicit distillation. 45

*Central Committee.*—To review the progress of prohibition programmes and to coordinate the activities in different States as also to keep in touch with their practical difficulties, it is desirable to set up a Central

Committee under the Planning Commission or the Ministry of Home Affairs. Some representatives of State Governments should also be associated with this Committee. State Governments may also endeavour to assess results of prohibition policy in their areas by instituting objective surveys from time to time and place their experience with the proposed Central Committee. ... ..

46

## Chapter V

## FINANCIAL ASPECTS

*A blot on the tax system.*—The excise duties on narcotics and intoxicants collected in the States are highly iniquitous, regressive and anti-social. This kind of levy has no justification to exist in a progressive tax system and should be wiped out at the earliest. ...

6

*Integration in development budgets.*—If prohibition be regarded as an integral part of national development programme, it follows that the progressive fall in excise revenue resulting from prohibition should be integrated with the general financial proposals of each State for the Second Five-Year Plan. The Committee, therefore, hold that additional taxation should not be directly linked with prohibition. ... ..

10

The Committee would like to draw special attention to the recommendations of the Taxation Enquiry Commission regarding the steepening of estate duties, rationalisation of rate structures and tightening up of tax collections. In particular, the measures recommended by them for preventing evasion and avoidance under Income-tax and General Sales tax are emphasised. There are some possibilities of expanding revenue under non-tax items. ... ..

11

*Use of diverted money.*—An effective organisation should be set up to garner the purchasing power released by prohibition. Active work has to be done for diverting the savings into co-operative institutions, post office savings banks, national savings certificates and home hundies etc. ... ..

16-17

*Central assistance.*—The Committee hopes that the Union Government would give adequate assistance to those States which depend on excise for a considerable part of their revenue to introduce prohibition in their areas and to push through other social welfare schemes. ...

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## **APPENDICES**

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## APPENDIX I

### Foreign Experiments

It has been urged by some that the chequered history of prohibition in certain foreign countries should serve as a warning to us against this "rash adventure". We may, however, say that we have profited by studying the results of limited experiments carried out in some foreign countries. Before we proceed to present a bird's eye-view of prohibition as it was introduced and worked in these countries, it may be mentioned that the general line of attack against the drink evil in most foreign countries has been to prevent excessive use rather than to prohibit the consumption of liquor. Drink is a deep-rooted social habit amongst the majority of the population in these countries. Though some religious organisations have condemned the habit as 'reprehensible', here is no social ban imposed on drink by the community. In most of the Western countries, it is customary to take liquor along with food. It should not, however, be assumed that the campaign against drink in these countries was carried on light-heartedly. The very fact that heavy drinking was indulged in and convictions for drunkenness showed a tendency to increase stimulated public interest in abstinence and made enlightened opinion take up the fight against liquor. The course was deflected from total prohibition in most cases, by powerful cross-sections of opinion favouring moderation in drink and through organised propaganda by liquor interests. Restraints on public drinking, however, continue to be the subject matter for much anxious thought and consideration.

2. Among the countries which at different times passed on the crest of a wave of public agitation from control and restraints on drink to total prohibition were the U.S.A., Finland, Iceland and the Faroe islands. We were informed that some of the Islamic countries are to all intents and purposes under total prohibition, but in the absence of detailed information it is not possible to assess the results. Among the Scandinavian countries, Sweden and Norway have tried experiments in rationing of liquor and also undertaken temperance propaganda on a large-scale. France, where *per capita* consumption of alcoholic drinks is the highest in the world, has shown a tendency in recent years to return to sobriety.

3. In the U.S.A., the Eighteenth Amendment which ushered prohibition during the all too brief period from 1919 to 1933, came in the wake of a continuous urge for prohibition from State Governments and a network of temperance organisations. Maine was the first to pass a prohibition law, and some other States followed the example. By the year 1913, nine States besides several counties in other States were officially 'dry'. National *per capita* consumption of liquor had reached the peak figure of 22 gallons and as liquor was pouring over county and State boundaries into dry areas the situation demanded more energetic action. Consequently, shipments of distilled spirits into any State in violation of State or local liquor legislation were prohibited. An intensified drive was launched for the abolition of the saloons. The Anti-saloon League sponsored a nation-wide campaign; the cost of the drive was estimated at \$500,000. Five States moved into the dry column in 1914, five more in 1915 and four in 1916, bringing the total of prohibition States to twenty-three. The Anti-saloon League took active interest in the election campaign and sent many representatives to the Congress which was destined to approve of the amendment of the Constitution. The Eighteenth Amendment soon followed introducing prohibition, and within a period of one year (January 1918 to January 1919) State after State ratified the Amendment which became an integral part of the law of the land.

4. For over a decade prohibition worked under conditions not entirely favourable to its success from the very start. The law was defective; enforcement was in the hands of dual authority, *viz.*, the Federal and State Governments without proper co-ordination and from the very inception prohibition came under persistent attacks from powerful and organised vested interests. Well-known observers like Herman Feldman and Prof. Irving Fisher have examined the economic and social aspects of prohibition and set out in detail the debits and credits as they appeared in the prohibition account. The benefits that accrued to industrial workers in particular have been clearly brought out in an array of statistical evidence. To sum up the immediate effect of prohibition: "There was an immediate change, and astonishing as it is to relate, that change was not a depression, not a slowing up in commerce and industrial activity, but an immediate influx of vital strength to the whole economic structure. Trade which had been good became better; the entire standard of living of the American people was stepped up to a distinctly higher level".\*

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\*Prohibition and Economic Change.—an article by Deets Pickett in *Annals of the American Academy of Political and Social Sciences* (September 1932), p.98.

Herbert Hoover, then Secretary of Commerce, ascribed to prohibition increase of efficiency amongst the individual workers, of upward of 10 per cent. While such statements were not countered, opponents of prohibition based their attacks mainly on the defects in enforcement.

5. The progress of prohibition was thwarted by a number of causes; the chief amongst them were, deficiency in the law, lack of proper enforcement and lack of enthusiasm by the public after the introduction of prohibition. The prohibition law did not cover such aspects as the purchase, possession and use of alcoholic beverages. It is not necessary to dilate on the shortcomings of enforcement which became soon apparent. For several reasons prohibition became a plaything of political parties. Illicit liquor and the diversion of industrial alcohol appeared as problems so unmanageable that enforcement machinery could not cope with them. The assistance of the coast guard in the prevention of smuggling was found haphazard and un-coordinated. Adequate patrol to prevent importation of illegal liquor was not maintained. Diversion of industrial alcohol which could have been under prompt and effective control was left without check. Enough appropriations were not placed at the disposal of the enforcement authorities with the result that their activities slackened considerably. Apart from these pitfalls into which prohibition slipped, there was a continuous bitter attack on the movement from the saloon keepers which encouraged disrespect for law to such a degree that bootleggers became aggressive. The inevitable result of all this was the appointment of the Wickersham Commission, which in its report submitted to the President in 1931 observed that enforcement in respect of prohibition was inadequate and recommended "better State co-operation and organisation of public opinion to ensure such co-operation". The Commission further recommended that Federal appropriations for enforcement be substantially increased. The report, a thorough and fully documented exposition was received with disappointment. Very soon three members of the Commission asked for a modification of prohibition. This led to renewed agitation by those waiting for the signal. The great depression of the 'thirties spelt the doom of the Eighteenth Amendment. The 'wets' exploited the opportunity to insist that prohibition was the direct cause of depression, "that legalised beer would use up surplus grain and offer work to thousands of the hungry and jobless poor". It was pointed out that rich federal revenue could be secured from taxes on legalised liquor manufacture. For some time, the 'wets' were content with the slogan "return the



problem to the States" concealing their real purpose which was to re-open unrestrained liquor traffic. The next general election brought in the Democrats and President Roosevelt; subsequently the Eighteenth Amendment was cancelled and the noble experiment was ended. It may be mentioned that President Roosevelt in announcing the ratification of the repeal of the Eighteenth Amendment appealed "for the co-operation of all citizens to the end that this return of individual freedom shall not be accompanied by the repugnant conditions that obtained prior to the adoption of the Eighteenth Amendment". He opposed return to the saloon either in its old form or in some modern guise.

It is not to be understood, however, that after the repeal of the law some two decades back, the people of the U.S.A. have forgotten or abandoned the cause of prohibition. The struggle against alcohol continues unabated and 'temperance' in the U.S.A. has now come to mean total prohibition and not mere prevention of excess of drinking. In some States old prohibition laws still remain on the statute book.

6. In Finland, a strong temperance movement ultimately led to declaration of legal prohibition in 1919. The enforcement of the law was entrusted to the police and county sheriffs, however, the enactments proved singularly inadequate. While prohibition lasted in Finland for about a decade, there was noticed a considerable reduction in general crime, drunkenness and mortality rates. General crime went down from 54·4 per ten thousand in 1909-13 to 44·8 per ten thousand in 1920-26. The general mortality rate was 17·1 per thousand in 1910, 15·9 in 1920, and after seven years of prohibition, the figure dropped to 13·4 in 1926. Drunkenness was down by nearly a third. The economic results were to some extent reflected in increased agricultural and industrial production in the country. The Director of a leading bank in Finland, commenting on prohibition said: "the capacity of labouring classes for savings has increased appreciably during the past ten years along with which their standard of living has simultaneously advanced. One sign of this is that the working people have, in the year 1927 invested many hundreds of millions of marks in dwelling house apartments of their own". This phenomenon in his opinion was for the most part attributable to prohibition of intoxicating liquors.

7. The economic crisis of 1930 hit the country rather severely and Government which had difficulty in balancing its budget turned to

the legalising of liquor as an easy way of raising money. The failure of the prohibition law in Finland was set out by Dr. Uno Thomenin as due to the following causes\* :—

- (i) smuggling which was a common offence in Finland was not sufficiently prevented by the Customs authorities—no special machinery was available;
- (ii) higher classes of society in Finland were always opposed to prohibition;
- (iii) economic pressure of the crisis of 1930; and
- (iv) economic pressure which was brought to bear on Finland by other countries.

These reasons apart, the geographical position of Finland was such that she could not make a success of prohibition without the co-operation of neighbouring States, like the Soviet Union, Sweden, Norway and Denmark. The principal lesson of the prohibition experiment in Finland, therefore, is that no small area by itself, without co-operation from neighbouring areas, can succeed in putting prohibition into effect. Finland is smaller than most Indian States as regards population. Prohibition in a limited area serves little purpose; the surrounding wet areas can easily overwhelm it more especially, if public opinion in latter areas is opposed to this reform.

8. In Iceland, prohibition was fairly effective during the period 1912-1920. The year 1922 was a disastrous one in the history of Iceland for Spain refused to conclude an agreement with Iceland under which tons of cod fish could be exported to Spain. The Spanish Government insisted that they would not renew the agreement unless Iceland received Spanish wine of an alcoholic content upto 21 per cent. Iceland had no choice left, for she had \$5 to 7 million worth of catch ready for shipment to Spain. The prohibition law had to be amended so as to promote the sale of wines. In 1923, by a majority vote of 57 per cent. the plebiscite against prohibition was carried and the legal sale of hard liquor was re-imposed on the 1st February 1925. Here is an instance of how economic pressure from a bigger country can be made effective against a small country.

9. Norway and Sweden have adopted only intensified control measures. As consumption of alcohol had increased greatly during the first world War, a Royal decree was issued on the 16th December 1915 pro-

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\*See Alcohol Problem, January 1947 issue.

hibiting the sale of spirits from 18th December 1916 to 8th January 1917 (22 days) on an experimental scale. There was a popular demand for prolongation of the prohibitory regulations. In the result, the prohibition against spirits alone was renewed, but not against wine. The sale of wine which contained more than 15 per cent. alcohol was prohibited by a later statute. The prohibition of the sale of beer containing more than 2.5 per cent. alcohol was also enforced. The vote on the question for making provisional prohibition permanent was taken and carried. In 1920 control measures were introduced to regulate the importation and sale of wines. The Government, however, delayed giving effect to the vote until the trade treaties with France, Spain and Portugal were secured. The change of Government and the pressure of wine producing countries mentioned above resulted in obstructing the process. A strong feeling against trade treaties was aroused in the country because of the obligation to import a fixed quantity of spirits and wine for which it had little use. The Conservative Government which came into power repealed the prohibition law in its application to the importation of wine containing more than 14 per cent. of alcohol and allowed them to be imported and sold on the same conditions as lighter wines. In 1926 the Government felt that it should submit the entire question of prohibition to a popular vote; the vote that followed resulted in 4,23,031 voting for and 5,31,084 against prohibition. It should be remembered, however, that in Norway prohibition applied only to spirits; the use of beer and light wines was legally permissible.

10. Sweden chose the line of control through rationing. This scheme has however been abandoned only recently. The experiment tried is better known as the Bratt system under which a consolidated national agency was established to supervise the production of liquor. A system of individual control was provided for checking every purchase of intoxicants at the retail stage. These were the outstanding features of the system which also prohibited the retail sale of intoxicants to persons under 21 years of age, and to those who were found to have misused the privileges offered under the system. The object of the scheme was that the sale of intoxicants should be so conducted as to bring about as little injury to the consumers as possible. Permits for the sale of intoxicants could be used only during specified hours. Every person who wished to indulge in liquor and other intoxicants had to carry a pass book. The Bratt system worked for over thirty years and those who have followed this experiment have recorded that the illegal disposal of pass book liquor constituted a cardinal defect of the plan. It has also been noticed as a more serious

failure that inebriety among the Swedes as a rule was not induced by legitimate liquor legally purchased. Beer was not covered under the scheme for the Swedes do not take beer as an intoxicant. Intensive working of the control measures through rationing did not reduce illegal traffic in spite of the fact that liquor supplied under rationing was relatively cheaper than in the neighbouring countries. A commission was recently appointed to assess the results of the Bratt system. The Commission came to the conclusion that the complicated rationing system was not capable of lowering the consumption of spirits; on the contrary, it has proved an obstacle to further improvement. Young people considered a ration-book to be a sign of authority and an attempt to get more alcohol than was legally allowed, was regarded by them as a kind of sport. Consequently the consumption of alcohol increased and also the number of convictions for drunkenness. There was a good deal of bootlegging and the alcoholics could get as much of liquor as they wanted in spite of rationing. It is understood that as a result of the Commission's recommendations, from the 1st October 1955, the purchase of liquor will be free to everybody who is above 21 years of age and is not found drunk.

11. In Russia, prohibition was in force during the first world war. Of the 25,293 Government shops selling vodka in  
**U.S.S.R.** 1914, there remained in January 1917, 886; these shops were allowed to sell methylated spirits only. It is reported that as a result of this measure the incidence of crime and suicide was reduced and savings banks deposits went up. After the revolution in 1917, Prohibition was extended to wines and beers. Lenin was of the view that "to promote the sale of vodka would mean one step back to capitalism". The experiment of prohibition in U.S.S.R. was however very short-lived. In 1921 the sale of alcoholic drinks other than vodka was permitted; in 1923 permission was extended to 20 per cent. fruit drinks called 'juice spirits'. Finally on October 1, 1925, the Central Executive Committee abolished prohibition and re-established State monopoly in alcoholic liquors.

12. The problems of alcoholism are fairly acute in France.  
**France** M. Mendes France, former Prime Minister had plans to check the growing evil of drinking. The first official decree granted special powers to Government to this end and this was published in the official Journal dated November 20, 1954. Twelve decrees were issued under the authority of law of August 14, 1954 granting limited special powers to Government upto March 1955. The object was stricter enforcement of regulations pertaining to production, especially in home distilleries,

reduction in the number of retail establishments, limiting the maximum alcoholic degree content of certain beverages, increased consumption taxes on drinks and creation of a special committee of public-spirited men to study the problem of alcoholism. More drastic measures were under consideration such as closure for certain days of establishments serving alcoholic drinks, prohibiting serving of alcoholic drinks during certain hours, reducing the number of low-grade drinking shops, increase in fines and jail sentences for public drunkenness and controlling advertisements.

It has been variously estimated that alcoholism costs the French Government between 500 to 600 million francs annually on the care of its victims. An analysis of work accidents in the courts in 1951 indicated that approximately two out of every three such accidents were due to the effect of alcohol.

## APPENDIX II

### **Prime Minister's message on the occasion of the Bombay Prohibition Week, 1955 (being the fifth year of total prohibition in Bombay)**

“Bombay has taken the lead in introducing prohibition. There has often been controversy on this subject. This controversy is based on two factors: (1) the loss of revenue and (2) the difficulty of preventing breaches of the prohibition law and the manufacture of illicit liquor.

“Financial considerations cannot always be ignored but in a matter of this kind surely these considerations should not play an important part. We come then to the second objection. That is not one of principle, but of practical difficulty. It requires a careful consideration of the manner in which the prohibition law is worked and the way it is broken. It may be necessary to vary our procedures in order the better to attain the objective aimed at.

“The question therefore resolves itself into this: Is the objective of prohibition good or not? If it is good, it must be pursued, though we may vary our approaches to this problem. I have no doubt that this broad objective is good for our country. I am not prepared to generalise about other countries which have different habits and different ways of living. But in our country it seems to me desirable both from the point of view of the general public and also from the point of view of the select few who appear to take some pride in indulging in alcoholic drinks, even though the sentiment of the country is against it. I think it has been adequately shown that the general mass of our population benefit by prohibition in many ways—financially, physically and ethically. The few who think that it is the right thing to indulge in alcohol, and do so rather flagrantly, do little justice to themselves or to their country. Some time ago I expressed myself rather strongly about the cocktail habit in Delhi. Even apart from the desirability or otherwise of prohibition, this cocktail habit among certain well-to-do circles has become deplorable and, if I may add, vulgar. In itself, this habit is peculiarly unbecoming.

"There is also the question of a certain discipline in a nation. If we decide something and make laws to that effect, we should obey that discipline and carry out those laws."

"I do not bring in the question of sin in this matter, but I do consider this kind of indulgence in alcohol as a social abuse which should be actively discouraged. More particularly, with the background we have in our country and the circumstances that we live in, it is wholly undesirable."

JAWAHARLAL NEHRU

New Delhi,  
March 25, 1955

### APPENDIX III

#### **Copy of the Resolution on Prohibition passed by the Working Committee of the Indian National Congress on April 5, 1954**

“The Constitution has laid down a Directive Principle that the State shall endeavour to bring about prohibition of the consumption, except for medicinal purposes, of intoxicating drinks and drugs which are injurious to health. The Congress Working Committee, having reviewed generally the progress of prohibition in different States, considers that it is imperative in the national interest to take steps for more effective implementation of this directive.

“The Working Committee takes note of the fact that though certain States have taken substantial measures to carry out the policy of prohibition, in several other States, adequate progress has not been made and various difficulties have been encountered. In carrying out a scheme of social reform, which is of such a far-reaching significance for the community as a whole and, especially for the poorer sections of the population, both in urban and rural areas, financial aspects by themselves should not influence the course of policy and action.

“The Committee feels that the stage is reached when experience gained and the difficulties met with in recent years should be studied carefully and objectively with a view to evolving a national programme for the fulfilment, with the widest possible public support and as speedily as may be feasible, of the directive of the Constitution. To this end the Committee suggested that the Planning Commission may make recommendations to the State Governments after collecting data and arranging for a full study of the subject in all its aspects by a committee appointed for the purpose.”



## APPENDIX IV

### **Copy of the Resolution on Prohibition passed by the Standing Committee of All-India Women's Conference on 2nd May 1953.**

“The Standing Committee of the A.I.W.C. views with grave concern the relaxation in the prohibition policy of some of the States and reaffirms its faith in total prohibition and is of the conviction that Excise can never replace prohibition and considerations of State revenue should not enter in implementing the prohibition policy and appeals to the State Governments to introduce, extend and rigorously enforce prohibition in keeping with the Directive Principles of State policy laid down in the Constitution and thus save the masses from the evils of drink and all its attendant consequences”.

## APPENDIX V

### **Copy of the Resolution on Prohibition adopted by the Working Committee and endorsed by the General Council of the Indian National Trade Union Congress**

“This meeting of the Working Committee of the INTUC is definitely of opinion that the policy of prohibition has brought about untold benefits in the social, economic and moral life of the people in general and the industrial working class in particular. Wherever total prohibition has been introduced, workers have been able to not only save money but also to utilise it to give more nutritious food to their children and improve their standard of life. (Those who were addicted to drink as a result of prohibition have become free from debt and some have even taken to building their own houses through co-operation efforts). Prohibition has brought happiness to the families of the working class and an immense relief to the women and children of those who were slaves of the drink habit.

“Doubts have been expressed about the success of the prohibition policy in certain parts of the country and the question is being discussed whether to continue it or reject it. A plea is made in the name of augmenting State revenue. The I.N.T.U.C. reminds the Government of the Directive Principle embodied in Constitution of India which promises to introduce progressively total prohibition throughout the country. Any income derived by sale of intoxicating drinks is not only degrading but in the long run has proved ruinous socially, economically and morally. States like Bombay and Madras have proved that the income derived from excise on drinks can be realised from other sources. The net saving to the people brought about by prohibition is much more than the income derived by the Government. But apart from the financial drain on families through drinks, the cost in human values is incalculable. With congratulating those Governments which have adopted the policy of prohibition, the Working Committee urges upon such States where introduction of prohibition has been delayed, to make forthwith beginning with the industrial areas, and thus fulfil obligation embodied in the Constitution.

“The fact that illicit sale of liquor is resorted to wherever prohibition is introduced cannot controvert the clear goal of prohibition and justify free sale of liquor and wines. Public opinion, effective propaganda and concerted measures by Government and voluntary agencies should be resorted to expose and punish those who indulge in this illegal traffic. The Working Committee urges upon all the trade unions in the country to take all necessary steps for the continuance and extension of prohibition”

“This meeting of the General Council welcomes the lead by the Working Committee of the Indian National Trade Union Congress for the guidance it has given in the matter of adhering to the policy of prohibition of all alcoholic drinks. The Council notes that policy of prohibition has brought about immense benefits in the social, economic and moral life of the people in general and the industrial working class in particular. Wherever total prohibition has been introduced, workers have been able to not only save money but also to utilise it to give more nutritious food to their children and improve their standard of life. Prohibition has brought happiness to the families of the working class and an immense relief to the women and children of those who were slaves of the drink habit.

“The General Council urges upon all the trade unions in the country to take all necessary steps for the continuance and extension of prohibition and for its effective implementation.”

## APPENDIX VI

### **Copy of the Resolution\* on Prohibition adopted by the Sarva Sewa Sangh in March 1953**

“Prohibition has been an important phase of our national struggle. Under the leadership of Gandhiji, Congress took the lead in organising a campaign for prohibition, so much so that while at the time of the Gandhi-Irwin Pact, all other demands were withdrawn, the right to picket peacefully the liquor shops was not given up. It was expected that after attainment of independence, prohibition would be introduced in India at the earliest. This has been acknowledged as a duty in the Constitution of free India. The importance of prohibition has become apparent since apart from social and moral degradation, drink leads poor people to financial ruin and their lives become miserable. The Sarva Sewa Sangh congratulates the Bombay and Madras Governments for the courage and tact shown by them in introducing legal prohibition.

“At present, however, the lot of the poor and the requirements of national policy are being overlooked for considerations of revenue and “go-slow” tactics in this regard have become a catchword for the Centre. The Central Ministers even sometimes dare attribute publicly, lack of foresight on the part of States who have introduced prohibition. The Sangh takes exception to this view since it holds that the “go-slow” policy can only lead to a precipitate fall.

“The Sarva Sewa Sangh also feels that enforcement should not be solely the responsibility of the Government; social workers should also take their due share of responsibility in this task.”

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\* Translation of the original Resolution in Hindi

**APPENDIX VII**  
*Prohibition Offences under Different Heads and Convictions in Bombay State since 1946-47*

Year	1	2	3	4	5	6	7	8	9	10	11
		Illicit distilla- tion	Import, transport & export	Illicit possession	Unclaimed sales	Other Misc. offences	Total (2 to 6)	Hemp Drugs	Cocaine	Total (7 to 9)	Convic- tions
<b>1946-47 :</b>											
Greater Bombay . . . . .	.	2,577	46	2,700	222	10	5,555	383	1	5,939	3,397
Districts . . . . .	.	4,090	356	3,062	160	839	8,507	650	2	9,159	7,825
TOTAL . . . . .	.	6,667	402	5,762	382	849	14,062	1,033	3	15,098	11,222
<b>1947-48 :</b>											
Greater Bombay . . . . .	.	3,211	12	3,500	267	188	7,187	394	..	7,581	2,503
Districts . . . . .	.	3,181	690	3,822	189	574	8,456	826	3	9,285	5,907
TOTAL . . . . .	.	6,392	702	7,322	465	762	15,643	1,220	3	16,866	8,410
<b>1948-49 :</b>											
Greater Bombay . . . . .	.	4,619	197	6,231	129	3	11,179	485	1	11,665	3,465
Districts . . . . .	.	1,781	555	4,375	73	527	7,311	758	4	8,073	3,308
TOTAL . . . . .	.	6,400	752	10,606	202	530	18,490	1,243	5	19,738	6,773
<b>1949-50 :</b>											
Greater Bombay . . . . .	.	6,771	68	8,321	21	5	15,186	435	10	15,631	480
Districts . . . . .	.	3,307	868	8,475	220	5,069	17,939	1,466	9	19,414	6,732
TOTAL . . . . .	.	10,078	936	16,796	241	5,074	33,125	1,901	19	35,045	7,212

## 1950-51 :

Greater Bombay	.	.	.	•	49,803	23	9,609	13	2,145	21,593	373	20	21,986	766
Districts	.	.	.	.	3,137	1,069	8,772	70	8,061	21,109	1,568	6	22,683	11,882
TOTAL	.	.	.	.	12,940	1,092	18,381	83	10,206	42,702	1,941	26	44,669	12,648

## 1951-52 :

Greater Bombay	.	.	.	.	14,592	46	11,750	8	5,699	32,095	248	6	32,349	1,286
Districts	.	.	.	.	3,776	1,422	9,660	50	13,962	28,870	1,142	6	30,018	12,638
TOTAL	.	.	.	.	18,368	1,468	21,410	58	19,661	60,965	1,290	12	62,367	13,924

## 1952-53 :

Greater Bombay	.	.	.	.	18,054	36	15,016	3	7,061	40,170	456	9	40,635	8,940
Districts	.	.	.	.	6,607	1,247	16,867	61	24,129	49,011	1,123	7	50,141	23,729
TOTAL	.	.	.	.	24,661	1,283	31,883	64	31,190	89,181	1,579	16	90,776	32,669

## 1953-54 :

Greater Bombay	.	.	.	.	18,177	3	15,341	..	8,491	42,012	525	9	42,546	10,641
Districts	.	.	.	.	6,705	1,784	14,853	97	27,175	60,614	1,907	2	62,523	34,103
TOTAL	.	.	.	.	24,882	1,787	30,194	97	45,666	1,02,626	2,432	11	1,05,069	44,744

## APPENDIX VIII

*Percentage of Excise Receipts to Total Revenue in Different States*

(Amounts in lakhs of rupees.)

States	1938-39			1944-45			1950-51			1954-55 (R.E.)		
	Total Revenue	Excise Receipts	Per- centage to total Revenue	Total Revenue	Excise Receipts	Per- centage to total Revenue	Total Revenue	Excise Receipts	Per- centage to total Revenue	Total Revenue	Excise Receipts	Per- centage to total Revenue
Andhra .	..	..	..	..	..	..	..	..	..	2,139	7	0.33
Assam .	258	35	13.57	622	83	13.34	958	93	9.71	1,743	151	8.66
Bihar .	524	120	22.90	1,275	359	28.16	2,897	526	18.16	3,726	448	12.02
West Bengal (a)	1,277	159	12.45	3,939	754	19.14	3,430	620	18.01	4,163	501	12.03
Bombay .	1,245	290	23.29	3,367	756	22.45	6,031	107	1.77	7,130	69	0.97
Madras .	1,613	372	23.06	4,124	1,278	30.99	5,816	55	0.94	4,595	25	0.54
Madhya Pradesh .	427	64	14.99	962	188	19.54	1,921	231	12.02	2,546	203	7.97
Orissa .	182	33	18.13	318	62	19.50	1,012	213	21.05	1,467	146	9.95
Punjab (a)	1,136	102	8.98	2,886	364	12.61	1,645	208	12.64	2,077	260	12.52
Uttar Pradesh .	1,280	133	10.40	2,747	498	18.13	5,189	651	12.54	7,736	541	7.00
	7,942	1,308	16.47	20,240	4,342	21.45	28,899	2,704	9.36	37,322	2,351	6.30

Hyderabad	.	.	.	.	.	.	.	.	2,517	969	37.02	2,885	815	28.25
Mysore	.	.	.	.	.	.	.	.	1,440	200	13.89	1,565	154	9.84
Madhya Bharat	.	.	.	.	.	.	.	.	968	189	19.52	1,421	173	12.17
PEPSU	.	.	.	.	.	.	.	.	563	190	33.75	784	217	27.68
Rajasthan	.	.	.	.	.	.	.	.	1,461	249	17.04	2,211	260	11.76
Saurashtra	.	.	.	.	.	.	.	.	777	15	1.93	5,211	7	0.58
Travancore-Cochin	.	.	.	.	.	.	.	.	1,399	218	15.65	1,706	212	12.43
	.	.	.	.	.	.	.	.	9,225	2,030	22.00	11,783	1,838	15.59
Ajmer	.	.	.	.	.	.	.	.	44	25	56.81	195	28	14.36
Bhopal	.	.	.	.	.	.	.	.	85	14	16.47	293	16	5.46
Coorg <sup>1</sup>	.	.	.	.	.	.	.	.	60	11	18.33	121	12	9.91
Delhi	.	.	.	.	.	.	.	.	295	109	36.95	471	112	23.78
Himachal Pradesh	.	.	.	.	.	.	.	.	201	18	9.05	306	15	4.90
Kutch	.	.	.	.	.	.	.	.	36	5	13.89	41	4	10.73
Manipur	.	.	.	.	.	.	.	.	30	0.1	0.43	32	0.5	1.56
Tripura	.	.	.	.	.	.	.	.	27	1.4	5.19	29	1.2	4.14
Vindhya Pradesh	.	.	.	.	.	.	.	.	243	31	12.76	464	33	7.11
	.	.	.	.	.	.	.	.	1,021	215	21.06	1,952	222.0	11.38
TOTAL FOR ALL STATES	.	.	7,942	1,308	16.47	20,240	4,342	21.45	39,145	4,949	12.64	51,057	4,111	8.64

NOTES.—Total Revenue receipts are exclusive of transfers from the Post War Reconstruction (Revenue Reserve) Funds.

(a) The figures for Punjab and West Bengal for the years 1938-39 and 1944-45 are for undivided Punjab and Bengal.



## APPENDIX IX

### List of Non-official Witnesses Examined

#### *Bangalore*

1. Shri T. T. Sharma
2. Smt. Winifred Joseph, Councillor, Bangalore Corporation
3. Shri K. Subba Rao, Retired Excise Commissioner, Mysore
4. Dr. M. N. Mahadevan
5. Shri Henry Joseph
6. Smt. M. R. Lakshamma, M.L.C.
7. Shri M. V. Veerappa, ex-President, Chamber of Commerce, Bangalore
8. Shri M. Venkataswamy Iyengar, Retired Excise Commissioner
9. Shri D. N. Hosali
10. Shri B. R. S. Murty

#### *Bombay*

1. Shri Homi J. H. Talyarkhan, M.L.A.
2. Dr. B. H. Mehta
3. Dr. A. M. Lorenzo
4. Shri Madhavlal B. Shah, M.L.A.
5. Shri Jugat Ram Dave, M.L.A.
6. Shri Kalyanji V. Mehta, M.L.A.
7. Shri N. D. Parikh, M.L.A.
8. Shri Maneklal C. Shah, M.L.A.
9. Shri Chhotabhai Z. Sutaria, M.L.A.
10. Shri M. P. Desai, M.L.C.
11. Shri D. R. Diwakar
12. Smt. Jayshree Raiji, M.P.
13. Shri L. M. Patil, M.L.A.
14. Shri D. S. Desai, M.L.A.
15. Shri B. M. Yagnik, M.L.A.
16. Shri S. L. Silam, M.L.A.
17. Shri B. N. Dighe, M.L.A.
18. Shri D. S. Powar, M.L.A.
19. Shri M. N. Memane, M.L.A.
20. Smt. Lilavati Banker, M.L.A.
21. Dr. M. D. D. Gilder
22. Dr. M. N. Birje, M.L.A.
23. Shri Chhotubhai Naik

24. Shri V. L. Mehta, Chairman, All-India Khadi and Village Industries Board
  25. Shri K. K. Shah, General Secretary, Bombay Pradesh Congress Committee
  26. Smt. Maniben N. Desai
  27. Smt. Manorma Ballal                      Representatives of Bombay
  28. Smt. Meenakshi Bakhle                      Prohibition Committee
  29. Shri B. G. Kher\*
  30. Shri W. A. Scharffenberg\*, Secretary, International Temperance Association
  31. Shri Chad B. Israel, National Temperance Society of India
- Calcutta*
1. Smt. Lavanaya Prabha Datt, Chairman, Congress Sub-committee for women
  2. Smt. Biva Mitra, Secretary, Congress Sub-committee on constructive work
  3. Mrs. Abha Chatterjee, Secretary, Congress Sub-committee for women
  4. Mrs. Subhadra Haksar
  5. Dr. Nalini R. Sen Gupta
  6. Shri R. M. Sen Gupta, Chief Labour Adviser, Indian Jute Mills' Association
  7. Dr. B. P. Kedia, Managing Agents, Kharde Jute Mills
  8. Swami Vijaya Nand, Bharat Seva Ashram Sangh
  9. Shri M. R. Chowdhry
  10. Shri Satinder Prashad Bhadra
  11. Shri B. P. Maity
  12. Shri J. N. Mitra, Vice-President, All-India Hind Mazdoor Sabha

*Chandigarh*

1. Shri Gopichand Gupta, M.L.A.
2. Shri Devilal, M.L.A.
3. Shri Prem Sukh Das, M.L.C.
4. Shri Daulat Ram, M.L.A.
5. Shri Nand Lal, M.L.A.
6. Comrade Ram Chander, M.L.A.
7. Smt. Sita Devi, M.L.A.
8. Shri Ram Parkash, M.L.A.
9. Shri Niranjana Das Dhunan, M.L.A.
10. Shri Sahib Ram, M.L.C.

\*In formally contacted by the Committee.

11. S. Hari Singh, M.L.A.
12. Jathedar S. Mohan Singh, M.L.A.
13. Pt. Amar Nath Vidyalkar, M.P.
14. Shri Albel Singh
15. Shri Gurdial Singh
16. Shri Daulat Ram
17. Shri Hardyal Singh, Sarpanch, Katni
18. Shri Nagib Singh
19. Shri Brij Bhushan, President, Chandigarh Congress Committee
20. Shri Lajpat Rai Jain
21. Smt. Shakuntla Devi

#### *Delhi*

1. Ch. Ram Narain Singh (representing the Bharat Sewak Samaj)
2. Shri G. L. Bansal, M.P.
3. Shri Shivcharan Gupta, President, State Prohibition Board.
4. Mrs. Pusha Mehta
5. Mrs. Savitri Nigam, M.P.
6. Shri Khub Ram Jajoria
7. Shri Sarangdhar Das, M.P.
8. Shri N. V. Gadgil, M.P.

#### *Hyderabad*

1. Shri K. Tatachari
2. Shri J. V. Narsingh Rao, President, Hyderabad Congress Committee
3. Smt. Ali Hyderi
4. Smt. Masuma Begum
5. Smt. Shanta Bai Talpalikar
6. Shri D. V. Chauvan, M.L.A.
7. Shri Vasudeva Naik, President, City Congress Committee
8. Shri Shahabuddin Ahmed Khan, Mayor of Hyderabad
9. Shri S. Vaidyanathan
10. Shri M. Narayana Reddi
11. Shri Ranga Pandu, Mayor of Secunderabad
12. Shri Venkatesham, ex-Mayor of Secunderabad
13. Shri Shanker Narayana Gowd
14. Shri L. Narhari Gowd
15. Shri Oma Pathi
16. Shri T. Anjiah
17. Shri Mukandas Malani

18. G. L. Sanghi

19. Swami Ramanand Tirth, M.P.

*Kurnool*

1. Shri D. V. Subba Rao, Retired Deputy Commissioner of Prohibition
  2. Shri Pappuru Ramacharlu, M.L.A.
  3. Shri K. Varadachari
  4. Shri Kasula Chinna Thimmiah Chetty, President, Town Congress Committee, Kurnool
  5. Shri Kasani Appa Rao
  6. Shri R. I. N. Gaud
- } Representing Andhra Pradesh  
} Tappers' Congress

*Lucknow*

1. Shri Chokhelal, President Temperance Society, Shah jahanpur
2. Shri Krishan Chandra Sharma, M.L.A.
3. Shri V. R. Mohan, Deputy General Manager, Dyer Meakin Breweries Ltd.
4. Dr. R. K. Mukerjee, Vice-Chancellor, Lucknow University
5. Shri S. P. Avasthi, M.L.A., representing labour
6. Shri S. B. Viragi, Principal, Harijan Ashram, Allahabad
7. Swami Ramanand, M.P.
8. Shri Gangadhar Sharma, M.L.A.

*Madras*

1. Shri C. Rajagopalachari
2. Shri N. Lakshmanan, Director, Tagore Academy
3. Shri Velunarayanan, Member, Prohibition Committee, Tirunalvali
4. Dr. P. Arunachalam, Retired Surgeon General
5. Mrs. Soundaram Ramachandran

*Nagpur*

1. Shri M. D. Tumpalliwar, President, Pradesh Congress Committee
  2. Shri S. L. Kashikar
  3. Shri G. M. Khode
  4. Shri N. M. Kidke
- } Representing the Indian National  
} Trade Union Congress
5. Shri N. L. Belekar, President, Provincial Weavers' Society Nagpur
  6. Shri M. T. Thakare, M.L.A.
  7. Shri P. H. Bhutta
  8. Shri K. Srinivasan
- } Representing the Millowners'  
} Association
9. Shri R. N. Bajpai, Convenor, Bharat Sewak Samaj
  10. Shri M. K. Shrowti

11. Smt. Radhabai Kamble of the Express Mills
12. Shri M. J. Kanitkar.
13. Representatives of the Madhya Pradesh Union of Working Journalists

### *Nangal*

1. Local Representatives of the Indian National Trade Union Congress
2. Smt. Malhotra
3. Smt. Sushila Bhabar } Women's representatives
4. Shri S. K. Verma of the Local Sanatan Dharm Sabha

### *Patiala*

1. Shri Hans Raj Sharma, M.L.A.

### *Puri*

1. Acharya Vinoba Bhave.
2. Shri U. N. Dhebar, President, All-India Congress
3. Shri Dharendra Mazumdar, Sarva Sewa Sangh
4. Shri Gajanan Naik of the All-India Khadi and Village Industries Board
5. Shri Biswanath Parida, M.L.A., Chairman, District Prohibition Committee
6. Shri Raj Krushna Bose, M.L.A.

### *Simla*

1. Shri Bala Nand Chauhan; M.L.A.; Himachal Pradesh
  2. Shri Ram Dayal, M.L.A.; Himachal Pradesh
  3. Shri S. Guruswami
  4. Shri R. E. P. Sinha
  5. Shri D. P. Joshi
  6. Shri Amar Dass
  7. Shri A. P. Sharma
  8. Shri S. M. Shukla
  9. Shri Chalapati Rao
  10. Shri P. K. Nambiar
  11. Shri Raghavendra Rao
  12. Shri Kulshreshtha
- } Representing the National Federation of Indian Railwaymen

### *Trivandrum*

1. Shri N. K. Krishna Pillai, Mayor of Trivandrum
2. Shri Jacob Thaliath, Retired Surgeon General
3. Shri P. N. Thomas
4. Shri G. Chandrasekhran Pillai

APPENDIX X  
PROHIBITION ENQUIRY COMMITTEE  
**GENERAL QUESTIONNAIRE**

**Effect of Prohibition**

1. How far has prohibition been effective in achieving its primary objective of eliminating or reducing the drink and drug evil?

(a) What is the approximate percentage of old addicts who are still consuming liquor?

- (i) Addicts of arrack
- (ii) Addicts of toddy
- (iii) Addicts of ganja, bhang and charas
- (iv) Addicts of opium
- (v) Addicts of foreign liquor

2. Has prohibition resulted in any improvement in the condition of the drinking classes and has the general standard of living been in any way affected, and if so, how far and in what direction?

- (a) Economic
- (b) Social
- (c) Health
- (d) Moral

3. What effects has prohibition had on the efficiency and well-being of labour?

- (a) In rural areas
- (b) In urban areas
- (c) Labour colonies

4. (a) What is the attitude of women in general to the prohibition campaign?

(b) What are the customs and caste observances which either oppose or support prohibition? How shall we make use of the one and neutralise the effects of the other?

5. Has prohibition led to increased illicit distillation, smuggling and consumption of deleterious substitutes? If so, what reasons would you attribute them to?

### **Machinery for Enforcement**

6. (a) What administrative machinery would you recommend for proper enforcement of prohibition?

(b) What specific changes in the existing laws would you recommend for ensuring better implementation of the prohibition policy?

7. What corrupt practices have sprung up amongst officials and others consequent on the failure of enforcement and how could they best be eliminated?

8. Would enforcement of prohibition be helped if prohibition went through by stages in States where no attempt has so far been made in that direction. Would this be more effective if the stages were fixed area-wise or should it be done by other means?

9. What ought to be done by Government, Railways, and other industrial undertakings, public and private, in helping staff and labour employed by them to effectively participate in prohibition?

10. (a) How would you link up other social welfare programmes with the prohibition campaign?

(b) How can the services of temperance leagues, prohibition committees, religious and other organisations be used to assist in the campaign against drink?

11. Do you consider that constant prosecutions, seizures, fines and imprisonment in pursuance of the law have brought about any appreciable decrease in the sale and consumption of illicit liquor?

12. Are acquittals in court more frequent in prohibition crime than in other cases? If so, why?

13. (a) Do you consider illicit traffic in liquor is organised or sporadic? Can you give reasons to support your answer from personal knowledge?

(b) Do you find that such illicit traffic is more prevalent in certain areas or among certain classes? If so, can you give details?

14. To what extent has the drink habit spread amongst students? What remedies do you suggest to eradicate this evil?

15. Has the drink habit spread amongst women also? If so, among what classes?

### **Response of Public and Propaganda**

16. Has prohibition received the active support of the general public?

(a) If the answer is in the negative, the reasons for paucity of public support;

(b) Can you suggest any concrete steps for securing active support for this measure?

17. (a) What kind of agencies or organisation would you suggest for continuous and effective propaganda on prohibition?

(b) What measures could be taken to checkmate vested interests employing their power and money to bolster up opposition to the prohibition policy?

18. What is the attitude of (i) the public and (ii) officers to drunkenness or to convictions under the prohibition law? Is it regarded as an offence involving moral turpitude?

### **Counter-attractions**

19. Has there been appreciable diminution, due to prohibition in bad behaviour, brawls and family quarrels arising from drunkenness?

20. What is the programme of counter-attractions you would suggest to stabilise the good effects of prohibition?

### **Unemployment Aspect**

21. What alternative avenues of employment would you suggest for those who are thrown out of employment as a result of prohibition?

### **Financial Aspect**

22. Total prohibition being our objective, what are the measures that you would suggest to suitably balance the finances of the States?

### **Prohibition Committees**

23. How have the Prohibition Committees functioned in the States wherever they have been set up? If they have not been functioning well, what would you suggest for making them function effectively?

24. Would you suggest frequent reviews of the working of prohibition?



## APPENDIX XI

### PROHIBITION ENQUIRY COMMITTEE

#### QUESTIONNAIRE FOR INDUSTRIAL ESTABLISHMENTS

##### Prohibition and its effect on your employees

(Please answer the questionnaire as completely as possible and return to the Secretary, Prohibition Enquiry Committee, Planning Commission, New Delhi.)

1. Name of Company
2. Address
3. Name of person replying
4. Position in the company.
5. Names of employees on pay-roll
6. Approximate number of male employees (or percentage)

7. What are your rules or established practices with regard to employees who came to work under the influence of liquor during working hours?

##### A. Discharge and Labour Turnover on account of Drunkenness

1. Looking back over the conditions of the past few years, has the problem of drunken employees become less serious or more so since prohibition? (Cross one of the following.)

A marked reduction	} in the number of employees discharged or punished for drunkenness
A small reduction	
No noticeable change	

Condition worse, with more discharges for drunkenness

2. Can you supply statistics for discharges for drunkenness, that will support your observations as given above? (Your "dead files" of employees discharged may reveal valuable facts.) (Cross one of the following)

I am supplying statistics in the table given below:—

Year	Average number of employees on pay rolls	Workers discharged	
		Total number for all causes	For drunkenness

I cannot supply the statistics now because they have not been compiled, but we have records that might be worth your going through if you sent a representative.

I cannot supply statistics because.....

3. Have you noticed any changes in the type of (a) labour applying for employment, or (b) in labour turnover, that you would attribute to prohibition? Please comment in detail on this item.

**B. Absence, Neglect and Laziness, because of drunkenness after Sundays or pay days**

4. Has the problem of absence or laziness on Mondays or after pay days been effected by Prohibition? (Please cross one item in each column below?)

	and I attribute this
(a) Situation considerably improved	Chiefly to prohibition
(b) Situation somewhat improved	Partly to prohibition
(c) Situation worse	Not at all to prohibition

5. Can you supply statistics of such absence and laziness which will support your observation as given above? (Cross one of the following.)

I am supplying statistics in the table given below:

Number of absences	
Rate for company (all causes)	Part of rate attributable to drunkenness

I cannot supply the statistics now, because they have not been compiled, but we have records that may be worth your going through, if you sent a representative.

I cannot supply statistics on this because....

**C. Accidents caused by Excessive Drinking**

6. Have you observed any change in the character or frequency of accidents in your plant, since prohibition? (Cross one item in each column below.)

	and I attribute this
(a) Large reduction in accidents	Chiefly to prohibition

- (b) Slight reduction in accidents      Partly to prohibition  
 (c) Increase in accidents      Not at all to prohibition  
 (d) No noticeable change.

An explanation that would throw light on your answer above?

7. Can you supply statistics on accidents which will support your observation as given above?

I am supplying statistics in the table given below:—

Number of accidents			
Total (All causes)		Caused by drunkenness	
Number	Rate per man-hour	Number	Rate per man-hour

I cannot supply the statistics now, because they have not been compiled, but we have records that may be worth your going through, if you sent a representative

I cannot supply statistics on this because.....

#### **D Productivity and Prohibition**

8. Has there been any change in the individual productivity of the worker attributable in whole or in part to prohibition? (Cross one item in each column below.)

- (a) Marked increased in productivity and I attribute this  
 (b) Slight increase      Chiefly to prohibition  
 (c) Decrease      Partly to prohibition  
 (d) No noticeable change      Not at all to prohibition

9. Can you supply comparative statistics relating to productivity for the period before prohibition and after prohibition or illustrate your answer by statistics? Please comment here fully.

#### **E. General Economic Effects**

10. Have you observed any significant change in the following that you attribute in part to prohibition? (Cross the relevant square and comment as indicated.)

	Very favourably affected	favourably affected	No noticeable change	Un- favourably affected	Comments
(a) Standard of living of workers					
(b) Welfare of employees' wives and children					
(c) Stability of family life					
(d) Consumption of milk by workers & their families					
(e) Purchase of building or use of better homes					
(f) Acquisition of other amenities of life					
(g) Thrift amongst workers					
(h) Improvement in children's education					
(i) Improvement in health with particular reference to incidence of malaria, tuberculosis and liver complaint					
(j) Other factors					

F. Do you wish this information kept confidential? (Cross one of the following)

Keep entirely confidential.

Keep part-confidential (indicate which part)

You may quote this if you submit copy and secure approval.

Date

Signature

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## PROHIBITION ENQUIRY COMMITTEE

PLANNING COMMISSION  
NEW DELHI,  
October 24, 1955.

MY DEAR NANDAJI,

The final Report of the Prohibition Enquiry Committee was submitted to you on the 28th September, 1955. As mentioned in that letter, the Report was unanimous except that one member had signed subject to a note of dissent.

I forward herewith the Note of Dissent which was received a few days back. The main point urged in the note is that individual rationing for life, if only as a phase towards prohibition, should be adopted. The Committee has fully considered this view and, except for the dissenting member, rejected it for the reasons enumerated in Chapter IV—paras 29-31 of the Report. The Committee is of the definite view that individual rationing is illogical and administratively unworkable. Such a system, if adopted, would lead to the perpetuation of the drink evil rather than take the country towards prohibition.

Yours sincerely,

Shriman Narayan.

Shri Gulzarilal Nanda,  
Minister for Planning,  
Government of India,  
New Delhi.



## **Dissenting Minute**

by

SHRI P. KODANDA RAO

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## INTRODUCTION

As I have not been able to subscribe to all the findings, recommendations and observations of the Committee. I venture to submit herewith my Dissenting Minute, which refers to some of the major differences.

2. When, in 1951, I was appointed a member of the Madhya Pradesh **Policy vs. Administration** Prohibition Enquiry Committee which was asked to review policy as well as the administration of prohibition in that Province, I ventured to recommend that it would be more appropriate if the Government of India authorised a similar enquiry for the whole of India. (February 5, 1951). The present Committee, through an all-India Committee, was asked to review only the administration and not the policy. In view of the evidence placed before this Committee, it seems desirable that policy also should be reviewed by a high-power commission, representing all shades of opinion, similar to the American Wickersham Commission.

3. It also happened that I submitted a memorandum to this Committee and was examined orally in Madras on **Re-thinking** the 24th January 1955. Subsequently, I was invited to join the Committee as a coopted member. After some hesitation, I accepted the invitation and joined it on February 27, 1955, and in doing so, was influenced by the hope that I would have an opportunity to know more of the subject and on an all-India basis, and re-think and review, if necessary, my earlier views in the light of fresh knowledge and experience.

4. The Report would have gained in value if the Committee had followed to a greater extent the more normal procedure of committees of enquiry, as for instance, **Unusual procedure** circulating to members the memoranda and replies to its two *questionnaires*, reaching findings and recommendations after concluding the evidence, and adopting an attitude more objective than selective and propagandist. The Report mentioned that 300 memoranda were received from the public, including 50 from Members of Parliament. But they were not all circulated to

the members of the Committee. Prompt circulation of the memoranda would have been more in order and helpful to the members than the summary and more courteous to the writers thereof. A good many of the witnesses who gave oral evidence had not seen the *questionnaire* or had not adequate time for considered replies. The written statements of those witnesses, official and non-official, who also gave oral evidence, were circulated to members when they met them for oral examination, which made it well-nigh impossible for the documents to be studied with due care.

5. Considering the large amount of pre-conceived and subjective opinion which is natural on so controversial a subject as prohibition, scrutiny of evidence cannot be too critical. The Report quoted with approval the family budgets of addicts and non-addicts prepared by the Bombay School of Economics and Sociology in 1950, and of workers before and after prohibition in the Salem district of the Madras Province prepared by Prof. P. J. Thomas. (Para. 12, Chapter III). Surprisingly enough, the Bombay addict spent no money on liquor, even as the non-addict did not; the Salem workers did not spend any money on liquor before prohibition as they did not after prohibition! It was also presumed that there was no illicit consumption after prohibition and hence no expenditure. The significance of the comparisons is somewhat lost if the addict, like the non-addict, spent no money on liquor, and if the worker spent no money on liquor before as after prohibition!

Reference was made to the more recent investigation made by the Economic Adviser to the Madras Government regarding family budgets before and after prohibition. The pre-prohibition budgets in Madras city, for instance, contained an item of expenditure on liquor, but not the post prohibition budgets. The Report, however, mentioned that there was some illicit consumption. Unless it were free, illicit consumption would have involved some expenditure. The explanation that the consumers of illicit liquor did not admit it and reveal the expense is no warrant for the inference that no expenditure was involved at all!

## POLICY

1. The problem of intoxicants, particularly of alcoholic beverages, has vexed Governments and reformers for ages and **No Finality** no final and satisfactory solution seems yet in sight. Prohibition in America was perhaps the most studied, but differences of opinion persist. The Commission on the Enforcement of the Prohibition Law in America, popularly known as the Wickersham Commission, which had the assistance of a battery of research workers, spent over eighteen months to report, but was unable to arrive at firm and unanimous findings and recommendations. In its very nature, the appraisal of prohibition policy lends itself more to subjective pre-conceptions than to objective conclusions. In the circumstances, it would be unduly presumptuous to dogmatise. All that seems permissible is to approach the subject as objectively as possible and treat every solution as tentative and subject to revision in the light of fresh knowledge and experience

2. Among the major Provinces in India which accepted prohibition with enthusiasm and strove to implement it to the **Bombay Advice** maximum possible extent are Bombay and Madras. Their experience and advice have, therefore, high significance. In reply to Question No. 8 of the Committee's *Questionnaire* for advice to other Provinces which at the moment were without State-wide prohibition, both advocated gradualism or phasing, which meant the continuance of licit consumption under the current Excise policy until it tapered off into prohibition. Bombay advocated the adoption of its own procedure, namely, the annual reduction by 25 per cent. of the supply of liquor and its alcoholic strength and gradual reduction of the number of the liquor shops and the days of business.

3. The Madras Government's advice was unexpected, and was as startling as it was significant. It volunteered the **Madras Advice** recommendation that States which had not yet introduced prohibition should adopt Individual Rationing for life with a view to furthering prohibition. It said:

"A suggestion was made that arrack addicts, should be registered given ration cards and allowed a strictly rationed supply of licit arrack. The idea was that illicit distillers would be thereby



deprived of their market and thus driven out of business; the further extension of the arrack habit can be prevented; and the consumption of arrack reduced from year to year through the registered addicts dying out. The process of eradication of the arrack habit will be slow, but reasonably sure. The suggestion was not accepted by the Government for the reason that any such reversal of policy in respect of arrack might lead to pressure for further changes as a result of which the success already achieved in toddy prohibition might be lost. While this consideration is important in this State, the suggestion made above might be worth considering in those States which have not yet made a serious start with prohibition."

4. In his note to the Committee, Mr. V. N. Kudva, I.C.S., Member. **Administrator's Board of Revenue, Madras, said:**  
**view**

"It will certainly be preferable to introduce prohibition in easy stages rather than all of a sudden. It is desirable that permits should be given on a fairly large scale. Experience has shown that when the issue of permits is denied, fairly well-to-do classes who are in the habit of drinking, utilise their resources to finance the poorer classes for illicit distillation and that illicit liquor so procured is often consumed by women and children in the household.

"If permits are issued in such cases, the limited quantity of liquor obtained through such permits is kept under lock and key for the permit-holder's own use and there is no likelihood to his consenting to its being passed on to women and children who have not got into the habit of drinking and who do not need it. A free issue of permits will confine consumption of liquor only to addicts and when this generation passes away, there will be no class of addicts. The issue of permits with a certain amount of liberality will further the cause of prohibition by a process of localising the addicts, and lead to the eventual disappearance of the drinking habit. Medical certificates too may be dispensed with. These certificates are freely obtained from the Medical practitioners and the practice serves no useful purpose.

"Though this State has no experience of the introduction of prohibition in different stages, the following may be considered. It may be proceeded with in the following order: First cutting out of opium and ganja and then country liquor and toddy, and finally foreign liquor.

"The cutting out of toddy and country liquor may be done in two stages. In the first stage, all toddy and arrack addicts will be registered and they will be supplied with toddy or arrack, as the case may be, by a system of rationing from shops to be run on the amani system by Government, so that the addicts may get fairly wholesome liquor at a reasonable price. The illicit liquor to which they now resort is exorbitant in price, and deleterious in its effects on their health. If addicts are in a position to get licit liquor at cheap rates, there will be no incentive for illicit distillation."

5. In his oral evidence, Mr. C. Subramanian, the Minister of Finance, Madras Government said:

**Minister's opinion**

"In States where prohibition was to be introduced hereafter he would like addicts to be rationed for a certain period. Those States where prohibition has to be started can usefully adopt this method before full prohibition was introduced. As a result of the experience gained in Madras, this is considered helpful. In States where prohibition was already in force like Madras, this step would have little value."

6. Far from inviting others to follow its example, as Bombay did, Madras warned them off, as it were from doing so, and claimed that its advice was based of its experience of prohibition in Madras and urged it with a view to furthering prohibition! Madhya Pradesh had gone one step further when it reversed prohibition in the Buldana town, without challenge, legislative or judicial, or from the Congress high command, and introduced individual rationing under the name of "prohibition with permits"! The Madras scheme contemplated life-permits to addicts and the attainment of prohibition when the last-permit-holder passed away. It was implicit in it that permits would be granted only up to a critical date and none thereafter. The Madhya Pradesh scheme seems to have contemplated no such time limit, in which case it would amount to permanent temperance, though under the name of "prohibition with permits".

**Contrasts**

7. The fact that these two Congress Governments, deeply committed to, and with experience of, prohibition, advocated some kind of individual rationing instead of orthodox prohibition discounts optimism regarding the effectiveness of prohibition, and calls for a more thorough and objective review of the policy of prohibition itself than this Committee undertook, or was called upon to undertake.

**Review of Policy**

8. Though the policy of individual rationing, if only as a phase, was not canvassed by the Committee, it is due to Madras and Madhya Pradesh Governments that it should be examined on the basis of the evidence of the two Governments. The extracts from the Madras Government quoted above give a fairly clear picture of the proposed scheme and its prospects and justification. Strictly rationed quantities of toddy or arrack are to be given to addicts for life, and the prices are to be low enough to compete with the illicit supplies. Licit consumption would be so regulated as not to injure the health of the consumer or be wasteful of his money, and illicit consumption would be practically eliminated, and the consumer saved from the greater injury to his

health and purse due to the consumption under prohibition of illicit liquor which was more deleterious to health and exorbitant in price. It was implicit in the scheme that it would be better observed and enforced than prohibition, and that it was administratively workable.

9. The Excise Commissioner, Madhya Pradesh in his letter dated the 19th April 1955, said that the policy of his **Madhya Pradesh Practice** Government was "total prohibition", pursued in a spirit of "practical realism and by successive stages". Under the scheme of "prohibition with permits" which was inaugurated on the 1st February 1953, restricted quantities of country spirit were issued to addicts on permits through shops run by vendors authorised by Government on a salary basis.

The results of the experiment were as follows:

Year	No. of Permits	Consumption (in gallons)	Revenue (Rs.)	Offences	Price 8 drams (Rs.)
1952	pre-permit	37,412	11,14,000	207	
1953	1948	9,737	3,33,000	85	2/12/
1954	3,204	13,320	4,31,000	53	2/8/

The price was reduced in 1954 to combat illicit liquor.

10. It is also understood that Coorg has a system of individual rationing. It would be worthwhile to investigate **Coorg also** and assess, as objectively as possible, the value of individual rationing where it is in operation today.

11. The relative merits of Excise, prohibition and individual rationing may be summed up as follows: Under **Excise** Excise, individual consumption is sought to be limited by raising the price of licit liquor. In practice, licit consumption has been stimulated by means of excise auctions for the sake of maximum revenue to Government and maximum profits to the excise contractors, most of whom were obliged to resort to a great variety of scandalous malpractices, including the corruption of the Excise Department. Since liquor is habit-forming, raising prices of licit liquor cost the consumer more, or he was tempted to consume cheaper illicit which was more injurious to his health than licit liquor.

12. Further, the present excise taxation is unconscionably regressive. For instance, the cost price to Government and the selling price to the consumers, minimum and maximum, in Madhya Pradesh in 1950 were as follows:

Item	Cost Price	Selling Price	
		Minimum	Maximum
	Rs.	Rs.	Rs.
Country spirit	2	13/2	52/3
Opium	40	450	1250
Ganja	3	240	400
Bhang	2	90	160

The selling price had no relation to the paying capacity of the consumers concerned, namely, the consumers of toddy and arrack, who form a small minority of the total population, but contribute the bulk of Excise revenue. They are the poorest economically and weakest politically, being largely *bhangis*, *chamars*, *dhobis*, agricultural and industrial labourers, and scheduled castes and tribes. They pay the tax mostly when they are inebriate, and it is collected by speculators, the excise contractors. Increase in drink revenue is no flattering indication of rising standard of living, but only of more economic waste. The continuation, if only for the transitional period, of the Excise system is extremely unfair, iniquitous, inequitable and anti-social, and as Mahatma Gandhi said, degrading. It does not deserve a day's lease, if it can be helped. The same revenue may be secured by a change to a more equitable and defensible tax.

13. Prohibition is free from this criticism, as it eliminates excise auctions and profits, excise taxes and revenue. But **Prohibition** it is open to the criticism that it prohibits even moderate consumption lest it should lead to excesses. It is also open to the criticism that, to the extent that it is not respected or enforced, it results in the unregulated consumption of illicit liquor, which is injurious to health and the purse of the consumer. It is difficult to estimate with any degree of accuracy the extent of illicit consumption and its consequent injury to health and purse of the consumers. If the number of persons who consumed licit liquor under excise be taken as about ten per cent. of the total population of India, as the Report does, and if prohibition was effective for even eight per cent., and if only two per cent. still violated prohibition, the absolute number of violators would amount

to about eight millions, to be fined, jailed, hospitalised, or just ignored!

14. The enforcement of prohibition, particularly the prevention of the misuse as beverages of preparations containing alcohol, which have their legitimate use for toilet or medicinal purposes, is beset with legal, administrative and even Constitutional difficulties. Witnesses suggested that prohibition offences should be non-bailable, punishments should be deterrent, with a minimum of six months in jail for the first offence, summary trials, and use of security sections of the Criminal Procedure Code in chronic cases, collective fines, the amendment of Article 47 of Directive Principles of the Constitution, and Article 19(5) of the Fundamental Rights.

15. There are, besides, proposals to constitute special mobile squads of police, intelligence service for detection of prohibition offences, and a new hierarchy of full-time Prohibition Officers, all of which are sure to involve some extra expenditure, just when excise revenue is being abolished! Heavy fines will bring revenue, but jail sentences involve heavy expenditure. Most of the people who are sent to jail for prohibition offences cost Government more than they cost themselves out-of-jail, for their standards of life go up when they are committed to jail. As prisoners are not yet self-supporting, the cost has to be borne by innocent tax-payers, who have to maintain their own lower standard of life by the sweat of their brow. Such taxing of the innocent to pamper, as it were, the offenders should be resisted as far as possible.

16. Individual rationing seems to be free from the criticism to which Excise and prohibition are open, though not free from criticism of another kind. Consumption of licit liquor, prepared under scientific supervision, in rationed quantities, causing no injury to health, and sold at prices low enough to compete successfully with the ill-prepared and more deleterious illicit liquor, which is available only at exorbitant prices and is ruinous to the economy of the consumers, seems better than either Excise or prohibition, or, at any rate, the lesser evil than the other two. It is open to the criticism that there will be some "ghost cards" and some illicit consumption, if only to supplement the limited ration. It is, however, unlikely that such violators will be as many as under prohibition. As their legitimate needs will be met by the ration, additional consumption would mean drunkenness,

more strongly condemned by public sentiment. It may be recalled that both the Madhya Pradesh Prohibition Enquiry Committee and the Andhra Prohibition Enquiry Committee advocated individual rationing of country liquor. Mr. N. V. Gadgil, M.P., and Prof. A. M. Lorenzo of the Tata School of Social Work also advocated it in some form or other.

17. If excise, prohibition or the *Neera* scheme can be administered, there seems to be no conclusive reason why individual rationing, should not be administered equally well, if not better, because of the lesser temptation to violate the law.

**Workability**

It may be recalled that the Madhya Pradesh Prohibition Enquiry Committee was told by a conference of some senior Deputy Commissioners and Police officials that individual rationing was workable. And the system is actually in operation in Buldana district of Madhya Pradesh and in Coorg. It would, however, be unwise to be dogmatic on this subject, as the question was not adequately examined by this Committee.

18. The ration system is not likely to create unemployment, since the employees of excise contractors are likely to continue to be employed but as Government servants, to administer the ration system. It may be possible to utilise the services of the staff of the excise contractors, on a salary basis, to dispense liquor rations under the supervision of the Excise Department. It may be an improvement if the work is a part-time job for somebody whose main work is different, like, say, the school-master, village headman or accountant, post-master, or other "multi-purpose" official. Medical dispensaries and cooperative societies may also be utilised, as is proposed for the *Neera* scheme.

**Employment**

19. Comparing the three policies of Excise, Prohibition and Individual Rationing it may be said, without dogmatising, that the last is perhaps the best and the first the worst. In my opinion, Excise must go in any event and at once. Of the other two, Rationing, if only transitional, is preferable to Prohibition.

**Rationing  
Preferable**

20. Whatever be the policy, Excise, Prohibition or Rationing, the advantages of uniformity in the whole of India (with some modification in the Scheduled Areas under Schedule VI of the Constitution) are obvious, if only from the administrative point of view. Further, the obligation under Article 47 applies to all the Provinces and the Centre as well.

**Uniformity**

If prohibition is to be the uniform policy, the present stage reached by Madras and Bombay will have to be universalised without phasing. If rationing is to be the policy, Madras and Bombay will have to reverse their policies to some extent. If not, there is bound to be some diversity, as now, which may have to be tolerated, even as diversity between Provinces in other matters is being tolerated. It is also possible that, if the Planning Commission favours rationing, Madras may be willing to modify its present policy, at least in the case of arrack or country liquor.

21. As has been noted already, both Bombay and Madras have advocated phasing but of different kinds. **Phasing** Bombay would contract the quantity by twenty-five per cent. each year, while Madras would proceed item-wise, as it were, and deal with opium and ganja first, then toddy and arrack, and finally foreign liquor. Some other Governments and witnesses also advocated item-wise gradualism. Of the two, the item-wise plan seems to be better, with this modification that distilled spirits, like arrack or foreign liquor, should be dealt with first and brewed ones last, if at all.

22. In any case, there should be no profit from licit consumption either to Government or the private contractor, while it lasts. **No Profits**

23. Health permits already issued may be made life-permits, and no new permits may be issued. The withdrawal of permits is very likely to drive the consumers, particularly the addicts, to illicit liquor, more expensive and harmful. **Health Permits**

24. Opium addicts already registered should be given life-permits. It would appear that the opium is more difficult to give up than the liquor habit, and the consumer needs larger doses to get the same effect as time passes. To terminate his ration at a pre-determined date is likely to cause him distress or drive him to illicit market, neither of which is desirable. **Opium**

25. Tribals should be left to consume their traditional brewed liquor. Distilled liquors should not be introduced in the Tribal areas, either by Government or the Excise contractors, least of all, for the sake of revenue or profits. **Tribals**

## FINANCE

1. Finance seems to be largely the decisive factor in current liquor policy. It seems superfluous to preach prohibition to Congress Governments, unless an element of hypocrisy be attributed or suspected. If prohibition is not yet universal in India, it is almost wholly due to the fact that the Governments which still have excise revenue are incapable or unwilling to give it up and replace it by other revenue because of economic reasons or political fears. Most of the Provinces have currently deficit budgets, and they have to find moneys for the Five-Year Plans. Madras and Bombay have given up Excise revenue and replaced it by revenue from the Sales Tax and other more equitable taxes. On the other hand, Bengal and Hyderabad, for instance, have revenues both from Excise and Sales-taxes and yet a deficit! Excise revenue forms a sizeable part of the revenues of most of the Provinces. In Hyderabad, for instance, excise revenue formed about 28 per cent. of the total revenue in 1954-55.

### **Limitation of Provinces**

There does not seem to be a single Government which professed such zeal for prohibition as to give it first priority, surrender current excise revenue and impose other taxes. But every Government was willing to introduce prohibition forthwith if it was subsidised by the Central Government.

2. It is an open secret that the main, if not the sole, purpose for which Prohibition Enquiry Committees in Madhya Pradesh and Andhra were recently constituted to review the policy of prohibition, notwithstanding Article 47 of the Constitution, was to revise or reverse prohibition with a view to recovering revenue surrendered by prohibition. It may be recalled that even the Government of India had a few years ago advised the Provincial Governments to go slow with prohibition, again for the sake of revenue.

### **Pressure for Excise revenue**

3. Two alternatives seem to be open. One is to leave each Province free to implement prohibition as and when it finds it possible, economically and politically, and justify the resulting diversity as normal to provincial autonomy in

### **Alternatives**



this respect. This is likely to make the enforcement in the prohibition-Provinces increasingly difficult and tend to bring the Constitution into increasing contempt, unless suitably amended. The other and perhaps the better alternative is for the Government of India to take over the financial responsibility for the simultaneous extension of prohibition at the earliest opportunity.

4. The Government of India may give an annual subsidy to each Province to replace its Excise revenue as in its 1955-56 budget, or it may give the full subsidy in the first year and gradually reduce it every year, and equally gradually increase the financial responsibility of the Provinces. Or the subsidy may take the form of loans, full in the first year and diminishing every subsequent year, with the obligation on the Provincial Governments to repay them in course of time. The Government of India may negotiate bilateral agreements with each Province regarding the nature and amount of subsidy, and if it be a loan, the terms of repayment. Annual grants will be the best alternative; diminishing grants will be the next best; and loans will be the third best.

5. According to the Taxation Enquiry Commission, the total excise revenue in India in 1954-55 was Rs. 44 crores or 8.7 per cent. of the total Provincial revenues. But the amounts, relative and absolute, were not uniform in each Province. They varied from 28.25 to 0.33 per cent. as per the Report.

6. If the Government of India should make a grant of Rs. 44 crores, it will be a comparatively small proportion of its total revenue, which amounts to about Rs. 450 crores, or about ten per cent. It is much easier for the Government of India to give a subsidy of Rs. 44 crores than for, say, Hyderabad, to replace Rs. 44 crores even by 1st April 1958, as suggested by the Report.

7. If the Central Government agrees to subsidise, prohibition can be extended immediately, simultaneously and safely to the whole of India, perhaps by the 1st of April, 1956. In which case, there will be no need to contemplate an intervening period, with a special phasing programme of the kind proposed by the Report.

8. If for any reason the Government of India's subsidy for prohibition be unavailable, it is very doubtful all the **Deplorable Alternative** Provinces will be able to enforce prohibition by the same target date, and that too, the 1st of April 1958, and find the necessary replacement finance locally. It would be almost unfair to insist on their doing so. It is more probable that each Province will consult its own convenience, and it cannot be blamed for it. In which case, Excise policy and excise revenue will continue for various periods in various Provinces. Even if all Provinces accepted the target date of 1st April 1958, Excise will continue till then. Considering the nature of the Excise system, it is highly undesirable nay, deplorable, to continue it even for the interim period.

9. The most urgent reform is to terminate the Excise system. **Terminate Excise Immediately** The Madhya Pradesh Prohibition Committee rightly observed that the Excise auctions were a source of variety of scandalous malpractices and the corruption of the Excise Department and recommended its abolition forthwith.

10. The elimination of public revenue and private profits will **Eliminate Profits** eliminate the unfortunate stimulation of consumption and will be the greatest single reform in the liquor problem. Consumption of licit as well as illicit and of substitutes is likely to fall very considerably. It would not be bad if reform stopped at that and be accompanied by propaganda for temperance. With individual rationing, the improvement is likely to be even more striking, and satisfactory, from the point of view of the health and purse of the consumer, which is the main justification for liquor reform.

11. Liquor should be treated more like medicine in the interest of health than as a source of public revenue and **Self-supporting** private profit. The Sarva Seva Sangh went so far as to suggest that it should be served free, like medicine, in free dispensaries to those that needed it. Perhaps it is better if it be made just self-supporting, and avoid subsidy from general revenue.

12. If the Government of India makes annual grants to the **Central economy** Provinces for the sake of prohibition, it will add to its deficit by about Rs. 44 crores a year. The resources of the Government of India for economy and fresh taxation are greater than those of the Provinces.

13. If fresh taxation be inevitable, the Government of India has more scope than the Provincial Governments, and **Fresh Taxes** can bear the onus or odium for it better than the latter. It makes no material difference to the tax-payer as to which Government, Provincial or Central, levies a tax. He is concerned more with its incidence, whether it has relation to his paying capacity.

14. It is desirable that the Central subsidy should be earmarked for prohibition. It is undersirable to smuggle **Earmarked** prohibition by the back-door, as it were, and as an inconspicuous part of the Second Five-Year Plan. If and when fresh taxation, Central or Provincial, be inevitable for the sake of prohibition, it should be frankly acknowledged.

### CONSTITUTIONAL CONSIDERATIONS

1. Legal prohibition was introduced in India as early as 1937 under the Government of India Act of 1935. **Prohibition and Exemptions** Prohibition was not, however, absolute, but included both prohibitions and exemptions. The Bombay Prohibition Act, for instance, included several exemptions under various categories. Among them was any preparation containing not more than four-sevenths of one per cent. of alcohol by volume (Section 25 and the Notifications thereunder), even as the American National Prohibition Act, or Volstead Act, exempted one half of one per cent of alcohol. Some foreign countries exempted light wines and beer from prohibition, as mentioned in the Report. The Bombay Act also exempted the Defence Forces from its operation, and gave permits for legal consumption of "foreign liquor" on medical certificates, but no arrack and toddy.

2. Though the Government of India Act of 1935 made no reference to prohibition, several Provincial Governments **Prohibition under 1935 Act** introduced prohibition because the Constitution empowered them to "legislate" with respect of "intoxicating liquors and narcotic drugs" (Item 31, List II, Seventh Schedule) and, as the Federal Court held in the Bhola Prasad case, power to legislate included powers to "prohibit". As the Bombay High Court held in the Balsara case, the Provinces were "sovereign" within their jurisdiction under the Constitution, and were, therefore, competent not only to introduce prohibition, but also free to interpret it and legalise both prohibitions and exemptions.

With regard to the constitutionality and purpose of prohibition under the 1935 Constitution, the Supreme Court, in its judgment in

the Balsara case appeal, dated the 25th May 1951, observed that the Provincial Legislatures were empowered to legislate not only under Entry 31 of List II of the Seventh Schedule concerning intoxicants, but also under Entry 14 which referred to public health, and implied that prohibition was concerned with public health.

3. The current Constitution of India made specific provision for prohibition. It included it among the Directive Principles which, unlike the Fundamental Rights, were not justiciable, but were fundamental in the governance of the country and were in consequence, obligatory on both the Central and State Governments.

**Prohibition under the Constitution**

4. Prohibition formed part of Article 47 among the Directive Principles, which ran as follows:

**Article 47**

The State shall regard the raising of the level of nutrition and the standard of living of its people and the improvement of public health as among its primary duties, and in particular, the State shall endeavour to bring about prohibition of the consumption except for medicinal purposes, intoxicating drinks and of drugs which are injurious to health.

Prohibition was thus included among the "primary duties" of State, along with public health, etc., and was made as obligatory as the other duties by the use of the word "shall", and was made more obligatory than the others by the use of the words "in particular".

5. But the obligation was somewhat weakened by the use of the word "endeavour" in the case of prohibition.

**Not obligatory**

Replying to Mr. H. Khandekar who opposed prohibition, Dr. B. R. Ambedkar, who piloted the Constitution Bill, said in the Consenbly on the 24th November 1948:

I am sure that Mr. Khandekar has not sufficiently appreciated the fact that this clause is one of the clauses of an Article which enumerates what are called Directive Principles of Policy. There is, therefore, no compulsion on the State to act on this Principle. Whether to act on this Principle and when to do so are left to the State and to public opinion. Therefore, if the State thinks that the time has not come for introducing prohibition, or that it might be introduced gradually or partially, under these Directive Principles it has full liberty to do so. I do not, therefore, think that we need have any compunction in this matter. (Consenbly Debates, 24th November 1948, p. 566).

Consequently, there was no Constitutional obligation for uniformity in the implementation of prohibition in India. Some States endeavoured more and some less or not.

6. The States seem to be as sovereign and free from judicial review under the current, as under the former Constitution with reference to prohibition, as long as they do not infringe any of the Fundamental Rights, as interpreted by the Supreme Court. Since the Directive Principles are non-justiciable, it is unlikely that the courts will be called upon to construe Article 47, except incidentally, and give binding judicial decisions regarding the validity or otherwise of any Prohibition Act or its provisions. Much play is thus constitutionally permissible in defining prohibition, and make it either absolute, or subject to exemptions of individuals and groups, of particular intoxicants, or of areas, or otherwise. Some play is also possible regarding the significance of "medicinal purposes", "intoxicating drinks" and "injurious to health". The Report quoted the legal advice of the Dean of the Faculty of Law, Delhi University, on the subject. The opinions of Mr. M. Patanjali Sastri, ex-Chief Justice of the Supreme Court and of Sir S. Varadachari, ex-Judge of the Supreme Court are appended to this Minute. (Appendix).

7. The word "of" before "drugs" was not in the prohibition clause when it was passed on the 24th November 1948. (Consembly Debates, 24th November 1948, pp. 555 and 567). It would be interesting to discover when, how and why it was introduced.

8. There does not seem to be any universally accepted definition of what constitutes prohibition because of the variety of exemptions. The Report itself sanctioned some exemptions under prohibition. It also recorded that some foreign countries excluded light wines and beer from the scope of prohibition. The Indian Constitution made a distinction between distilled and brewed liquor in the case of the Tribals (para 12, Sixth Schedule).

9. The Bombay Prohibition Act exempted the Defence Forces from its operation. The Bombay High Court in the Balsara case invalidated it on the ground that it was discrimination between citizens, which was prohibited by the

**Fundamental Rights.** But the Supreme Court reversed the judgment and validated the discrimination as reasonable on the ground that consumption in the Defence Forces was properly and carefully regulated by military discipline, which was not the case among the civilians. It would seem that regulated consumption was consistent with prohibition. In which case, it may be suggested the Individual rationing of civilians, under which the quality, the quantity and the frequency of consumption is regulated, is *intra vires* of prohibition.

10. In the same judgment the Supreme Court suggested that  
**Health** prohibition was connected with public health. It observed:

Further, a reference to Article 47 of the Constitution supported to some extent the conclusion that the idea of prohibition was connected with public health.

Individual rationing may be so regulated as not to injure health.

11. The Nagpur High Court, in its judgment of the 16th April  
**Use and abuse** 1951, observed:

"What the law in substance proposes to prevent is what it regards the abuse of intoxicating liquor and not its use a proper way and for a proper purpose."

It may be suggested that individual rationing would amount to use and not abuse.

12. It may be inferred from these judicial pronouncements that  
**Spirit of** individual rationing, in so far as it regulated consumption and was not injurious to health, and did  
**Prohibition** not amount to abuse, is consistent with prohibition and does not violate its spirit any more than the exemptions approved in the Report.

## ADMINISTRATION

1. If prohibition is to be enforced with maximum efficiency the **Coercive processes** several coercive expedients recommended by witnesses, official and non-official, will have to be adopted, however drastic some of them may be, like collective fines, punitive police, security sections of the Criminal Procedure Code, prescription of high minimum punishments, and even the amendments of the Constitution recommended by the Bombay Government.

2. The Bombay Prohibition Act gave a very comprehensive definition of "liquor" as any preparation consisting of or containing alcohol or declared as such by **Prohibition vs. Exemptions** Government, and proceeded to prohibit its consumption. But the prohibition was not equally comprehensive, because of a variety of exemptions, referred to in the Report.

3. It may be open to the Bombay Government to eliminate some **Amendment of Fundamental Right** of the exemptions, as for instance, those in favour of the Defence personnel, by suitable amendments to the Act, but there are others which can be eliminated only by amending the Constitution. Though the Supreme Court, by a unanimous decision in the *Balsara Case (State of Bombay vs. F. N. Balsara. A.I.R. 1951 S.C. 318)* upheld the comprehensive definition of "liquor" in the Bombay Prohibition Act with a view to accommodating the Directive Principle concerning prohibition, it invalidated the prohibition of medicinal and toilet preparations containing alcohol on the ground that it violated the Fundamental right concerning property guaranteed by Article 19 (1)(f) of the Constitution and not covered by Article 19(6) regarding restrictions on the right. The argument of the Supreme Court was that it was not reasonable to prohibit alcoholic preparations which had legitimate uses for medicinal, toilet, anti-septic and flavouring purposes for fear of their misuse as beverages. The Bombay Prohibition Act had, in consequence, to be amended to legalise medicinal, toilet and antiseptic preparations containing not more than 12 per cent. of alcohol, (Sections 24-A and 59-A) which is more than what is contained generally in toddy and beer. In order to prevent the misuse of such preparations for beverage purposes, the Bombay Government

recommended that Article 19(5) of the Fundamental Rights should be amended so as to permit the prohibition of alcoholic preparations for toilet, medicinal and similar other purposes. Such an amendment may not be shocking, considering that Fundamental Rights, which are supposed to be more fundamental than the rest of the Constitution, were the only ones which have so far been amended, and amended frequently, and every time to make them less fundamental! It is, however, relevant to ask if prohibition is of such supreme importance that a Fundamental Right should be subordinated to it to the extent recommended by the Bombay Government. Perhaps some doubt is permissible. Perhaps individual rationing may not need such special privilege.

4. Article 47 among the Directive Principles of the Constitution enjoined the prohibition of the consumption of intoxicating drinks "except for medicinal purposes". The Bombay Government advocated the elimination of the exception in order to make prohibition more effective. There can be little doubt of the value of such an amendment, but again the question may be asked if it is worthwhile.

5. In the *Pasikaka* case (S.C.J. 73, 1955) the Supreme Court, by a majority, laid the burden on the prosecution to prove the guilt of the accused. It was implied by the Bombay Government that the burden should be on the accused to prove that he was innocent in prohibition cases. Such a reversal of well established procedure is no doubt calculated to help prohibition, but again, the question arises if it is worthwhile.

6. It is somewhat of a dilemma whether to take all the drastic and extraordinary steps suggested by witnesses as essential to prohibition, or fight shy of them and tolerate less effective implementation of prohibition. On balance, perhaps the latter is preferable. Perhaps individual rationing may eliminate the dilemma.

7. The presumption that jail will be a more effective deterrent than fine may also be open to some doubt. According to the evidence, the people who were caught were mostly poor hirelings of the richer violators behind the scene, and they were financially insured by their patrons and did not feel disgraced by being sent to jail. Neither jail nor fine seems to be as deterrent as was hoped. The more effective and inexpensive deterrent is public whipping, which is not transferable. China shot its opium eaters and smugglers.



8. As was said already, jail imposes a fine on the innocent, for the prisoners have to be maintained at the jail standard of living, which is higher than what most of the offenders had outside the jail, and the expenses for their higher jail standard will have to be paid by the law-abiding tax-payers, who have to earn their lower standard of living by the sweat of their brow in an insecure labour market. Such a paradox is inevitable to some extent, but it may not be added to by the artificial creation of fresh jail offences.

**Fining the innocent**

9. When consumption is legal and prohibition desirable, there is need to undertake propaganda for prohibition. But when consumption is illegal, propaganda may be needed long enough to inform the public of the aims and objectives of the new law and the penalties for violating it, and ask people not to break the law. The objective is more against law-breaking than against drink. When bigamy was legal and enlightened opinion was opposed to it there was need for propaganda to persuade people to refrain from exercising their legal right to bigamy, but when it was prohibited by law, the law-enforcing authorities had to take over and deal with bigamists as breakers of the law. In so far as propaganda against law breaking is needed, a comparative study of laws on the statute-book and their observance and enforcement may well reveal that prohibition was not the only law that needed it, or needed it first and most.

**Propaganda**

Where consumption is legal, propaganda seems to be more necessary to persuade Congress Governments not to promote or prolong consumption for the sake of revenue than to persuade consumers against drink, and it is somewhat odd that after the most intensive and extensive propaganda for nearly thirty years undertaken under the auspices of Mahatma Gandhi, Congress Governments in India need to be yet persuaded not to prolong consumption for the sake of revenue!

10. It may well be considered whether the police should undertake propaganda to encourage obedience and discourage disobedience of laws, including the prohibition law, since their role after independence has acquired emphasis on social service and the prevention of offences than on their detection and punishment after commission. It may be to their interest as well to do so.

**Propaganda by the police**

11. Propaganda may be necessary to warn consumers of the deleterious effect of illicit liquor on their health. But, **Health** as pointed out by the Report, no such propaganda was suggested or undertaken to warn against the consumption of illicit liquor under the Excise system. If, however, it be true that illicit liquor under prohibition is deleterious to health, or more deleterious than illicit liquor under Excise, the Public Health and Publicity Departments may be requested to undertake, as part of their duties, the necessary educative propaganda, as in the case of all other articles of consumption, deleterious to health.

12. The proposed Provincial Administrators of Prohibition and their **Prohibition hierarchy** district counterparts, who are to be full-time officers and should, therefore, be paid adequate salaries, are likely to be the proverbial fifth wheel in the coach, as it were, and be more a hindrance than a help to the police who are charged with enforcement not only of prohibition but other laws as well. They are more likely to harass the police, to pay more attention to prohibition offences than others, if only to justify their appointments. There are already in each Province a Minister and his secretariat in charge of Excise and/or Prohibition, and the Inspector General of Police and his staff to enforce prohibition. If moneys are available, it is much better to strengthen the police force as may be desired by the Inspector General of Police than interpose an Administrator, only for prohibition, between the Minister and the Inspector General of Police. It does not seem that any witness, Government or other, advocated the creation of the new hierarchy. Without a much stronger case, it is very undesirable to create it and incidentally add to the volume of unproductive employment to increase the burden on the productively employed.

13. When once consumption is prohibited, the chief, if not the **Public cooperation** only, opening for public cooperation is to assist the police and the courts to secure convictions, and perhaps ostracise the offenders. The complaint is universal in all prohibition Provinces that such cooperation was not adequately forthcoming. It is unlikely that it will ever do so to a greater extent than now. In any event, it seems over-optimism to anticipate that the new prohibition hierarchy of honorary non-officials with honoraria will be able to kindle a crusading zeal in the public for prohibition.

14. In so far as propaganda is useful and necessary without **Non-official propaganda** interfering with the executive administration, it is best undertaken by non-official organisations, like

the Bharat Sewak Samaj, Sarva Sewa Sangh, and others listed in the Report, voluntarily and without a special invitation from, or expense to Government, more as part of their service to the people than as a special favour to Government. If the heads of religious communities also join in, progress may be accelerated.

15. The *Neera* schme seems to be more unenforceable than prohibition, as it does not take long for *neera* to turn **Neera scheme** toddy. As long as toddy pays better than *neera*, there is likely to be more illicit profits and toddy and self-deception than *neera* or prohibition.

16. It has been suggested in the Report that the Government **Counter-** should provide counter-attractions to divert the **attractions** addicts from drinks. If, as claimed in the Report, a majority of former consumers gave up drink under prohibition and saved some crores of rupees thereby and used it to improve their standards of living, including amusements like cinemas and soft drinks like coffee and tea etc., the need for the State to provide such amenities at public expense does not seem to be obvious. Private enterprise is likely to step in to mop up some of the savings by providing lawful amenities, amusements and attractions. The ex-addicts are likely to follow the example of non-addicts for whom no special and subsidised counter-attractions have been proposed. It may be administratively difficult to confine free counter-attractions only to addicts under prohibition.

17. The Report enumerated five factors which mainly accounted for major prohibition offences, including dire **Deeper causes** poverty and easy availability of raw materials for illicit distillation. It is very doubtful if these factors could be eliminated, or very materially reduced, by the target date of 1st April 1958 to warrant the anticipation that prohibition would be more effective.

18. The Report suggested that, with a view to finding work for **Palm-Gur** ex-tappers under prohibition, the palm-gur indus- **Industry** try, among others, should be encouraged, after systematic study and full-size experiments. It is doubtful if such study and experiments can be concluded before the 1st April, 1958, the target date for the introduction of prohibition and the creation of unemployment among the tappers, and it may be necessary to postpone either prohibition or the palm-gur industry.

19. Viewed in perspective, the consumption of intoxicants does not seem to be a major problem in India, nor the most serious one either, to call for the highest priority and the most heroic remedies. Even current consumption is likely to fall very considerably if public revenue and private profit are eliminated from the traffic. But, if the several Governments in India, and Congress Governments at that, stimulated consumption for the sake of public revenue and profits, if some of them appointed committees in anticipation of reversing prohibition for the sake of revenue, and if the Congress high command and the Government of India advised the State Governments to "go slow" with prohibition, and if the police were not keen to detect prohibition offenders, the officials were not keen on enforcing prohibition, and the magistrates were not keen on giving deterrent sentences and if the public were not keen on assisting the police in enforcing prohibition, it may be that there is something wrong with orthodox prohibition itself than with everybody else concerned!

20. If moderate consumption of liquor is treated as a harmless, normal and even honourable social custom in the progressive nations of the world, like England and America; if their great and enviable progress in a variety of directions was compatible with such consumption; if foreigners and Indians may consume liquor in foreign countries, and foreigners may do so in India, but only Indians in India may not; if some communities in India do not feel any moral compunction in consuming liquor; if some of the most respected Indians, official and non-official, take liquor without moral qualms; and if liquor is used for sacramental purposes among certain religions, the moral elevation claimed for prohibition is somewhat weakened. Consumption can be made a legal offence, even as bigamy among the Hindus has been made a legal offence very recently. But it seems to be an unwarranted violence of language and sentiment to stigmatise consumption *per se* as moral turpitude, as a vice, as a sin! Excessive consumption offends the moral conscience of the world, but not moderate consumption.

## SUMMARY

The following is a summary of some of the findings and recommendations:—

1. **Procedure.**—The Report would have gained in value if the Committee had followed the normal procedure to a greater extent.

2. **Comprehensive review.**—Inasmuch as Madhya Pradesh reversed prohibition in one area and adopted individual rationing, and Madras recommended the adoption of individual rationing for life, it is desirable that the orthodox view or prohibition should be reviewed comprehensively by a high-powered commission.

3. **Policy.**—Pending such review, it is desirable that rationing of individuals for life, as recommended by the Madras Government, if only as a phase towards prohibition, should be adopted.

4. **Brewed vs. distilled liquors.**—Distilled liquors should be dealt with first, and brewed liquors last, if at all.

5. **Permits for life.**—Current permits for legal consumption of rationed quantities of foreign liquor and of opium should be made life-permits.

6. **Profits and revenue.**—Legal consumption should cease to be a source of public revenue or private profits but should be just self-supporting. In any event, the system of excise auctions should be abolished forthwith.

7. **Neera.**—Since neera turns into toddy and toddy is more profitable than neera, the neera scheme is likely to result in more toddy, illicit profits and self-deception than prohibition, and should, therefore, be abandoned.

8. **Tribals.**—Tribals should be permitted to consume their traditional brewed liquors.

9. **Finance.**—States which are now collecting excise revenue are unable or unwilling to give it up and replace it by revenue from more progressive taxation. They would forego it if they were reimbursed by the Central Government, which has more resources for economy and taxation. It is desirable that the Central Government should subsidise the State Governments, by earmarked

grants or loans, to help them to give up current Excise revenue by the 1st of April 1956, as it is undesirable to continue the iniquitous excise taxation and the excise auctions a day longer.

**10. Constitutional.**—Prohibition of consumption is never absolute, but is always accompanied by exemptions, which are also legal. Since prohibition is a non-justiciable Directive Principle and is not open to binding judicial decisions, States are “sovereign” with respect to the scope of prohibition, as long as they do not infringe the justiciable Fundamental Rights. They are, therefore, free to adopt a wide variety of implications of prohibition.

**11. Not obligatory.**—Prohibition is not obligatory on States, at any rate, not as obligatory as raising the level of nutrition and the standard of living.

**12. Individual rationing.**—Individual rationing of intoxicants, accompanied by control of the quality, the quantity and frequency of consumption is constitutional.

**13. Constitutional amendments.**—It is undesirable to subordinate Fundamental Rights to prohibition, or eliminate the exception in favour of medicinal purposes in the Constitution.

**14. Prohibition hierarchy.**—It is undesirable to create a new and whole-time and therefore paid prohibition hierarchy of non-officials, to help administer prohibition, as they are likely to be the proverbial fifth wheel; it is better to strengthen the police, if finances permit.

**15. Poverty and prohibition.**—In so far as poverty was said to be one of the main reasons for the drink habit, it is not likely to be mitigated enough by the 1st of April 1958, to warrant the introduction of prohibition by that date.

**16. Moral status of prohibition.**—If moderate consumption does not offend the moral susceptibilities of the more progressive people of the world, if foreigners may consume in India but not Indians, if some of the most highly respected Indians are given to moderate consumption without moral qualms, if the Prohibition Committee itself proposed to countenance consumption till the target date of the 1st April 1958 and some permanent exemptions thereafter, the moral elevation claimed for orthodox prohibition is somewhat weakened. The Constitution envisaged prohibition as a health problem.

## APPENDIX

### Legal Opinions Regarding Article 47

#### 1. *Sir S. Varadachari's letter dated Madras, July 25, 1955 to Mr. Kodanda Rao:*

"For convenience of answering, I reproduce the questions in your letter:—

"(i) Significance of the word 'of' before 'drugs' in Article 47 of the Constitution.

"(ii) Do the words 'except for medicinal purposes' in that Article apply only to 'intoxicating drinks' and the words 'injurious to health' apply only to 'drugs' or do both apply to both.

"The answer to the second part of Question (ii) is 'No.' This in effect answers your first question also. The effect of the word 'of' before 'drugs' is practically the same as if the word 'consumption' is reproduced immediately before the 'of' that is, the sentence will read "the consumption of intoxicating drinks and the consumption of drugs that are injurious to health". When the Article is so read, it will be clear that the words 'that are injurious to health' cannot be used to qualify 'intoxicating drinks'. And I can well understand the reason for not so qualifying the word 'drinks'. Prohibition of drinking was advocated not merely in view of the effect of drinks on the drunkard's health but also for its social and economic consequences, namely, the prevention of brawls and domestic disputes by drunkards, the diminution of the income available to meet the food, etc; needs of the family, and so on. In the above reading, there will be no justification for limiting the word 'drugs' by the word 'intoxicating'. A drug may be injurious to health even without causing intoxication.

"The expression 'except for medicinal purposes' qualifies both 'drinks' and 'drugs'. If I may use an algebraical analogy,  $a(b+c)=ab+ac$ —it would run as follows:—'except for medicinal purposes' (consumption of drinks+consumption of drugs) are prohibited. Here again the principle is quite intelligible—A drug like opium may be injurious to health but to produce certain immediate medical effects, it may have to be used. It is a choice like surgery, a present apparent harm to produce a good result. I see no justification for

limiting the words 'except for medicinal purposes' by adding that it must be under expert medical advice. There must be proof that it is *bona fide* used for a medicinal purpose. A doctor's prescription may facilitate such proof, but that need not be the only method. I see nothing to deny the protection even when the drug is self-administered, provided the court is satisfied that it is done for a medicinal purpose. It is difficult to say how the clause would have operated in a case like *De Quincey's*."

2. *Mr. M. Patanjali Sastri's letter dated Madras, July 26, 1955 to Mr. Kodanda Rao:*

"On the questions you have raised regarding Article 47 of the Constitution, the natural construction seems to be that the exception in regard to "medicinal purposes" applies to the consumption of both "intoxicating drinks" and "drugs injurious to health", and that the last three words qualify only "drugs". That is to say, the State shall prohibit the consumption of intoxicating drinks and drugs injurious to health, except for medicinal purposes in either case.

"The words 'for medicinal purposes' do not import the necessity of a prescription by any medical practitioner. So far as the Article is concerned, it may include even cases of self-administration. It is only a Directive addressed to the State. Whether a State while legislating in pursuance of the Article could validly require a certificate by a registered medical practitioner as proof of consumption for medicinal purposes is another matter. The reasoning employed at page 1095 of 1953 S.C.R. 1069, would seem to support the Constitutional validity of such requirement.

"I am only expressing my own personal view of Article 47 and I have no objection to your making such use of it as you may think necessary."





